



TOWN OF DISCOVERY BAY
A COMMUNITY SERVICES DISTRICT



President – Robert Leete • Vice-President – Kevin Graves • Director – Bill Mayer • Director – Bill Pease • Director – Chris Steele

TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT
AGENDA PACKET

Regular Meeting
Wednesday, March 15, 2017

7:00 P.M. Regular Meeting

Community Center
1601 Discovery Bay Boulevard



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT



President – Robert Leete • Vice-President – Kevin Graves • Director – Bill Mayer • Director – Bill Pease • Director – Chris Steele

NOTICE OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY

Wednesday March 15, 2017

REGULAR MEETING 7:00 P.M.

Community Center

1601 Discovery Bay Boulevard, Discovery Bay, California

Website address: www.todb.ca.gov

REGULAR MEETING 7:00 P.M.

A. ROLL CALL AND PLEDGE OF ALLEGIANCE

1. Call business meeting to order 7:00 p.m.
2. Pledge of Allegiance
3. Roll Call

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

During Public Comments, the public may address the Board on any issue within the District's jurisdiction which is not on the Agenda. The public may comment on any item on the Agenda at the time the item is before the Board for consideration. Any person wishing to speak must come up and speak from the podium and will have 3 minutes to make their comment. There will be no dialog between the Board and the commenter. Any clarifying questions from the Board must go through the President.

C. CONSENT CALENDAR

All matters listed under the CONSENT CALENDAR are considered by the District to be routine and will be enacted by one motion.

1. Approval of regular and closed session minutes for March 1, 2017
2. Approve Register of District Invoices
3. Approval of the addition to the Parks and Recreation Event Calendar for 2017
4. Approve the adoption of Resolution No. 2017-05 and the Records Retention Schedules
5. Adopt and Present Proclamation 17-02 thanking and honoring Fire Chief Hugh Henderson for his many years of public safety service and congratulate him on his retirement

D. AREA AGENCIES REPORTS / PRESENTATION

1. East Contra Costa Fire Protection District Report

E. MONTHLY WATER AND WASTEWATER REPORT – VEOLIA

1. Veolia Report – Month of February 2017

F. BUSINESS AND ACTION ITEMS

1. Annual Audited Financial Statements: Receive report from the District's Auditor and consider approving the FY 2015-16 Audited Financial Statements.
2. Discussion and consideration to approve the agreement with Urban Futures Inc. to provide the District with both Continuing Disclosure and Dissemination Agent Services.
3. Discussion and possible action related to the letter sent regarding Re-allocate ad valorem property taxes as requested by the East Contra Costa Fire Protection District.

G. INFORMATIONAL ITEMS ONLY

H. DIRECTORS' REPORTS

1. Standing Committee Reports
2. Other Reportable Items

I. MANAGER'S REPORT

J. GENERAL MANAGER'S REPORT

K. CORRESPONDENCE RECEIVED

1. Received February 22, 2017 from Special District Risk Management Authority – Workers' Compensation Longevity Distribution.
2. Received March 6, 2017 - Interim Fire Chief Helmick Press Release.

L. FUTURE AGENDA ITEMS

M. ADJOURNMENT

1. Adjourn to the regular meeting on April 5, 2017 beginning at 7:00 a.m. at the Community Center located at 1601 Discovery Bay Boulevard.

"This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the American with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact the Town of Discovery Bay, at (925)634-1131, during regular business hours, at least twenty-four hours prior to the time of the meeting."

"Materials related to an item on the Agenda submitted to the Town of Discovery Bay after distribution of the agenda packet are available for public inspection in the District Office located at 1800 Willow Lake Road during normal business hours."



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT



President – Robert Leete • Vice-President – Kevin Graves • Director – Bill Mayer • Director – Bill Pease • Director – Chris Steele

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY

Wednesday March 1, 2017

REGULAR MEETING 7:00 P.M.

Community Center

1601 Discovery Bay Boulevard, Discovery Bay, California

Website address: www.todb.ca.gov

REGULAR MEETING 7:00 P.M.

A. ROLL CALL AND PLEDGE OF ALLEGIANCE

1. Call business meeting to order 7:00 p.m. – By President Leete
2. Pledge of Allegiance – Led by President Leete
3. Roll Call – All present with the exception of Director Pease and Director Steele
4. Director Steele arrived at 7:13 p.m.

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

Public Comments Regarding:

- Traffic issues and the results of the survey from the Contra Costa County Traffic Engineer.

C. CONSENT CALENDAR

All matters listed under the CONSENT CALENDAR are considered by the District to be routine and will be enacted by one motion.

1. Approval of DRAFT minutes of regular and closed session meeting for February 15, 2017
2. Approve Register of District Invoices

Motion by: Vice-President Graves to approve the Consent Calendar

Second by: Director Mayer

Vote: Motion Carried – AYES: 3 – President Leete, Vice-President Graves, Director Mayer; NOES: 0; ABSENT: 2 – Director Pease, Director Steele

D. AREA AGENCIES REPORTS / PRESENTATION

1. Supervisor Diane Burgis, District III Report - Alicia Nuchols Field Representative introduced County Traffic Engineer, Monish Sen
 - a. County Traffic Engineer, Monish Sen – speed and traffic update – County Traffic Engineer, Monish Sen provided an update related to the Traffic Survey regarding data with percentages of excessive speeding on streets within Discovery Bay. There was discussion regarding the traffic survey and a request from the Board for a copy to be emailed.
2. Sheriff's Office Report – Resident Deputy Ingersoll - Provided a law enforcement update for the month of February.
3. CHP Report – Officer Thomas provided an update for the month of February regarding the citations. Also provided an update related to the radar system for Discovery Bay.

E. LIAISON REPORTS

1. Trans-Plan Report – No report
2. County Planning Commission Report – No report
3. Code Enforcement Report – No report
4. Special Districts Report** – No report

***These meetings are held Quarterly*

F. PRESENTATIONS

None

G. BUSINESS AND ACTION ITEMS

1. 2017 Enterprise Bond Update – Finance Manager Breitstein provided an update regarding the 2017 Enterprise Bond for the Filtration Project and the Water Meter Project, along with the Audit being included in the bond data. The DRAFT Audit will be presented at the March 15, 2017 to be approved at that meeting.

Public Comment Regarding:

- The use of Marks-Roos Bonds.

2. Bi-Monthly Water Meter Completion Report Update – Finance Manager Breitstein presented a PowerPoint related to the Water Meter Completion update and Phase I. There was discussion regarding Phase I and the Type 1 and Type 2 installations. Type 3 installations are more difficult and will be moved to the end of Phase I.

Public Comment Regarding:

- A Prop 218 along and opting out of a Smart Meter.

Legal Counsel Attebery – Stated there was a response provided to the Public Commenter regarding a Prop 218 and opting out of a Smart Meter; staff is working on “opting out” of the Smart Meter and the billing process for that line item.

The discussion continued regarding contaminated water entering into the homes – Town staff is taking care of the “backwash” process through the hose bib after the installation of all new meters.

H. MANAGER’S REPORT

None

I. INFORMATIONAL ITEMS ONLY

None

J. DIRECTORS’ REPORTS

1. Standing Committee Reports – No report
2. Other Reportable Items – No report

K. GENERAL MANAGER’S REPORT

None

L. CORRESPONDENCE RECEIVED

1. Received Date February 15, 2017 - from Special District Risk Management Authority – Property and Liability Program Rate Information.
2. Received Date February 21, 2017 – from Charles W. Helfrick – PRR – For additional documents regarding District Invoices.
3. Received Date February 22, 2017 – from Charles W. Helfrick – PRR – For invoice documents approved from the February 15, 2017 District Invoices.
4. Received Date February 22, 2017 – from California Special District Association regarding nominations for Seat C and Seat A.

Public Comment Regarding L-3:

- Documents that have been received along with requesting reiteration of the General Manager Recruitment costs.

Legal Counsel Attebery – Stated that there are no further documents responsive to the General Manager Recruitment costs.

M. FUTURE AGENDA ITEMS

- Revisit the letter sent related to supporting alternative property tax regarding the East Contra Costa Fire Protection District.

The regular meeting adjourned at 7:43 p.m. to the Closed Session.

N. OPEN SESSION DISCLOSURE OF CLOSED SESSION AGENDA

(Government Code Section 54957.7)

Legal Counsel Attebery – The Board is now adjourning into closed session regarding item O-1.

O. CLOSED SESSION:

1. Conference with Legal Counsel—Anticipated Litigation pursuant to Government Code Section 54956.9(b) - (One Potential Case)

Legal Counsel Attebery – Provided the details regarding the Bond that is being offered to the Public Financing Authority is a Marks-Roos Bond, however, not a Bond or a requirement that is either Mello-Roos or one that requires a vote of the public.

P. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

(Government Code Section 54957.1)

Legal Counsel Attebery – Reporting from Closed Session on item O-1 and there is no reportable action.

Q. ADJOURNMENT

1. The meeting adjourned at 7:50 p.m. to the next regular meeting of March 15, 2017 beginning at 7:00 p.m. at the Community Center located at 1601 Discovery Bay Boulevard.

//cmc – 03-03-17

<http://www.todb.ca.gov/agendas-minutes>

DRAFT



Town of Discovery Bay

"A Community Services District"

STAFF REPORT

Meeting Date

March 15, 2017

Prepared By: Dina Breitstein, Finance Manager & Lesley Marable, Accountant
Submitted By: Mike Davies, General Manager

MRD

Agenda Title

Approve Register of District Invoices

Recommended Action

Staff recommends that the Board approve the listed invoices for payment

Executive Summary

District invoices are paid on a regular basis, and must obtain Board authorization prior to payment. Staff recommends Board authorization in order that the District can continue to pay warrants in a timely manner.

Fiscal Impact:

Amount Requested \$ 679,458.13

Sufficient Budgeted Funds Available?: Yes (If no, see attached fiscal analysis)

Prog/Fund # See listing of invoices. **Category:** Operating Expenses and Capital Improvements

Previous Relevant Board Actions for This Item

Attachments

Request For Authorization to Pay Invoices for the Town of Discovery Bay CSD 2016/2017
Request For Authorization to Pay Invoices for the Discovery Bay Lighting & Landscape District # 8 2016/2017
Request For Authorization to Pay Invoices for the Discovery Bay Lighting & Landscape District # 9 2016/2017

AGENDA ITEM: C-2

**Request For Authorization To Pay Invoices (RFA)
For The Meeting On March 15, 2017
Town of Discovery Bay CSD
For Fiscal Year's 7/16 - 6/17**

<u>Vendor Name</u>	<u>Invoice Number</u>	<u>Description</u>	<u>Invoice Date</u>	<u>Amount</u>
Contra Costa County Reimbursement				
Brentwood Ace Hardware	808/022817	Landscape Reimb (Z57)	02/28/17	\$108.09
Neumiller & Beardslee	282274	General Service Jan 2017 (Z57,Z61)	01/31/17	\$1,383.50
Tee Janitorial & Maintenance	8673	Janitorial Service Feb 2017 (Z57,Z61)	02/17/17	\$80.00
Contra Costa County			Sub-Total	\$1,571.59

Water

Alhambra	13710019 021717	Bottle Water Service	02/17/17	\$9.46
American Retrofit Systems	1237	Building Maintenance	02/17/17	\$70.00
Big Dog Computer	BDC33285	IT Support	02/21/17	\$70.00
Big Dog Computer	BDC33285	Computer Supplies & Equipment	02/21/17	\$73.78
Big Dog Computer	BDC33288	IT Support	02/21/17	\$521.00
Big Dog Computer	BDC33289	IT Support	02/21/17	\$373.84
Big Dog Computer	BDC33291	IT Support	02/23/17	\$77.64
Big Dog Computer	BDC33292	IT Support	02/26/17	\$104.00
Brentwood Ace Hardware	808/022817	Building Maintenance	02/28/17	\$22.63
CaliforniaChoice Benefit Admin	2635953/53040	Health Insurance Mar 2017	02/24/17	\$4,743.07
Cash	FEB 2017	Petty Cash Reimb July 2016-Feb 2017	02/28/17	\$15.55
Cintas	185592315	Mats	02/15/17	\$6.86
Cintas	185593303	Mats	02/22/17	\$6.86
Costco	344773867	Membership	02/21/17	\$44.00
County of Contra Costa Public Works Dept	700890	Encroachment Permits	02/16/17	\$1,608.75
County Of Contra Costa, Dept of Info Tec	10845	Data Processing Charges Jan 2017	02/16/17	\$19.80
HD Supply Waterworks, LTD	G660266	Water Meter Project, Utility Box and Lid	01/26/17	\$2,429.87
HD Supply Waterworks, LTD	G771107	Water Meter Box Lid	02/16/17	\$77.60
J.W. Backhoe & Construction, Inc.	2	Water Meter Installation Project	02/20/17	\$109,431.28
J.W. Backhoe & Construction, Inc.	2749	Water Leak Prestwick Dr	02/22/17	\$10,579.64
Lesley Marable	FEB 2017	Expense Report Feb 2017	03/03/17	\$31.14
MailFinance	N6398619	Quarterly Lease Postage Machine	02/13/17	\$111.83
Neumiller & Beardslee	282274	Water Meter Jan 2017	01/31/17	\$8,238.00
Neumiller & Beardslee	282274	General Service Jan 2017	01/31/17	\$7,413.58
Office Depot	906632109001	Office Supplies	02/20/17	\$174.37
Office Team	47802465	Water Meter Project Temporary	02/23/17	\$427.20
Paul E. Vaz Trucking, Inc.	47367	Material 02/06/17	02/06/17	\$736.16
Paul E. Vaz Trucking, Inc.	47368	Freight 02/06/17	02/06/17	\$819.58
ReliaStar Life Insurance Company	#JR52 457(B) 031517	457(b) 03/01/17-03/15/17	03/01/17	\$388.28
Ricoh USA, Inc	5047137118	Photocopier	02/16/17	\$178.81
SDRMA	22496	Ancillary Benefits Mar 2017	02/24/17	\$572.00
Suzanne Figlia	Aberdeen Ln	Closed Account, Refund Overpayment	02/28/17	\$9.48
Tee Janitorial & Maintenance	8673	Janitorial Service Feb 2017	02/17/17	\$285.60
Thomas Olwell	Cambridge Dr	Closed Account, Refund Overpayment	02/22/17	\$34.63
Upper Case Printing, Ink.	11587	Office Supplies	02/13/17	\$322.50
Upper Case Printing, Ink.	11598	Office Supplies	02/13/17	\$92.50
Upper Case Printing, Ink.	11605	Office Supplies	02/16/17	\$13.90
Van De Pol Enterprises, Inc.	0583247-IN	Diesel Delivery	02/23/17	\$524.33
Veolia Water North America	66083	Monthly O&M Fee Mar 2017	03/01/17	\$51,250.12
Zee Medical Service Company	724601773	Safety Supplies	03/02/17	\$22.93

Water Sub-Total \$201,932.57

Wastewater

Alhambra	13710019 021717	Bottle Water Service	02/17/17	\$14.20
American Retrofit Systems	1237	Building Maintenance	02/17/17	\$105.00
American Retrofit Systems	1238	WWTP#2 Equipment Maintenance	02/21/17	\$125.00
Auburn Constructors Inc.	1505-009	WWTP#2 Effluent Filtration	02/28/17	\$333,079.50
Big B Lumber	451991	PGE Funded Pool Equipment Shed	02/24/17	\$59.82
Big Dog Computer	BDC33285	IT Support	02/21/17	\$105.00
Big Dog Computer	BDC33285	Computer Supplies & Equipment	02/21/17	\$110.66
Big Dog Computer	BDC33287	IT Support	02/21/17	\$65.00
Big Dog Computer	BDC33288	IT Support	02/21/17	\$781.50
Big Dog Computer	BDC33289	IT Support	02/21/17	\$560.75
Big Dog Computer	BDC33291	IT Support	02/23/17	\$116.45
Big Dog Computer	BDC33292	IT Support	02/26/17	\$156.00

Brentwood Ace Hardware	808/022817	General Repairs	02/28/17	\$12.25
Brentwood Ace Hardware	808/022817	PGE Funded Pool Equipment Shed	02/28/17	\$707.28
Brentwood Ace Hardware	808/022817	Building Maintenance	02/28/17	\$33.94
CaliforniaChoice Benefit Admin	2635953/53040	Health Insurance Mar 2017	02/24/17	\$7,114.61
Cash	FEB 2017	Petty Cash Reimb July 2016-Feb 2017	02/28/17	\$23.32
Cintas	185592315	Mats	02/15/17	\$14.20
Cintas	185592315	Uniforms	02/15/17	\$10.30
Cintas	185593303	Mats	02/22/17	\$14.20
Cintas	185593303	Uniforms	02/22/17	\$10.30
Costco	344773867	Membership	02/21/17	\$66.00
County Of Contra Costa, Dept of Info Tec	10845	Data Processing Charges Jan 2017	02/16/17	\$29.70
Lesley Marable	FEB 2017	Expense Report Feb 2017	03/03/17	\$46.70
MailFinance	N6398619	Quarterly Lease Postage Machine	02/13/17	\$167.74
Neumiller & Beardslee	282274	General Service Jan 2017	01/31/17	\$11,872.86
Office Depot	906632109001	Office Supplies	02/20/17	\$261.56
ReliaStar Life Insurance Company	#JR52 457(B) 031517	457(b) 03/01/17-03/15/17	03/01/17	\$582.43
Ricoh USA, Inc	5047137118	Photocopier	02/16/17	\$268.21
SDRMA	22496	Ancillary Benefits Mar 2017	02/24/17	\$858.01
Tee Janitorial & Maintenance	8673	Janitorial Service Feb 2017	02/17/17	\$428.40
Van De Pol Enterprises, Inc.	0583247-IN	Diesel Delivery	02/23/17	\$786.49
Veolia Water North America	66083	Monthly O&M Fee Mar 2017	03/01/17	\$76,875.19
Zee Medical Service Company	724601773	Safety Supplies	03/02/17	\$34.40

Wastewater Sub-Total \$435,496.97

Grand Total \$639,001.13

**Request For Authorization To Pay Invoices (RFA)
For The Meeting On March 15, 2017
Town of Discovery Bay, D.Bay L&L Park #8
For Fiscal Year's 7/16 - 6/17**

<u>Vendor Name</u>	<u>Invoice Number</u>	<u>Description</u>	<u>Invoice Date</u>	<u>Amount</u>
Zone 8				
Big Dog Computer	BDC33290	IT Support	02/21/17	\$170.00
Brentwood Ace Hardware	808/022817	Misc. Small Tools	02/28/17	\$11.69
Brentwood Ace Hardware	808/022817	Personal Protective Equipment	02/28/17	\$92.60
Cintas	185592315	Uniforms	02/15/17	\$48.24
Cintas	185593303	Uniforms	02/22/17	\$53.90
Comcast	8155400350357156/217	Internet Service	02/15/17	\$160.24
Sheredan Hart	MAR 2017	Personal Protective Equipment	03/01/17	\$150.00
Tee Janitorial & Maintenance	8673	Janitorial Service Feb 2017	02/17/17	\$720.00
Town Of Discovery Bay CSD	508	Payroll Reimbursement Jan 2017	03/07/17	\$30,081.08
			Total	\$31,487.75
Community Center				
Alhambra	13710019 021717	Community Center-Bottle Water Service	02/17/17	\$44.61
Big Dog Computer	BDC33290	Community Center-IT Support	02/21/17	\$213.75
Brentwood Ace Hardware	808/022817	Community Center-Landscape Maintenance	02/28/17	\$89.38
Cintas	185592315	Community Center-Mats	02/15/17	\$53.90
Cintas	185593303	Community Center-Mats	02/22/17	\$53.90
Comcast	8155400350238372/217	Community Center-Internet Service	02/22/17	\$172.14
Denalect Alarm Company	R43967	Community Center-Quarterly Alarm Charge	03/01/17	\$96.00
Discovery Bay Disposal	17-0013218/022817	Community Center-Com 3 Yd	02/28/17	\$444.66
Discovery Pest Control	204330	Community Center-Pest Control	02/22/17	\$99.00
Express Labs Inc.	74688	Community Center-Employment Screening3	03/01/17	\$60.00
Karina Dugand	41	Community Center-Program Fees	02/28/17	\$891.00
Leslie's Pool Supplies, Inc.	27-352431	Community Center-Pool Chemicals	03/03/17	\$513.10
Leslie's Pool Supplies, Inc.	27-352688	Community Center-Pool Chemicals	03/07/17	\$288.40
Monica Gallo	MAR 2017	Community Center-Expense Report Mar 2017	03/02/17	\$96.33
Tee Janitorial & Maintenance	8673	Community Center-Janitorial Service Feb 2017	02/17/17	\$260.00
Zee Medical Service Company	724601772	Community Center-Safety Supplies	03/02/17	\$127.52
			Total	\$3,503.69
			Grand Total	\$34,991.44

Request For Authorization To Pay Invoices (RFA)
For The Meeting On March 15, 2017
Town of Discovery Bay, D.Bay L&L Park #9 (Ravenswood)
For Fiscal Year's 7/16 - 6/17

<u>Vendor Name</u>	<u>Invoice Number</u>	<u>Description</u>	<u>Invoice Date</u>	<u>Amount</u>
Bill Brandt Ford	159118	Vehicle Repair & Maintenance	02/23/17	\$149.85
Brentwood Ace Hardware	808/022817	Landscape Maintenance	02/28/17	\$106.49
Cintas	185592315	Uniforms	02/15/17	\$55.08
Cintas	185593303	Uniforms	02/22/17	\$75.27
Tee Janitorial & Maintenance	8673	Janitorial Service Feb 2017	02/17/17	\$280.00
Town Of Discovery Bay CSD	507	Payroll Reimbursement Jan 2017	03/07/17	\$4,603.44
Williams Sanitary Service	29579	Toilet Rental Aug 2016 Ravenswood	09/09/16	\$195.43
			Total	\$5,465.56



Town of Discovery Bay

"A Community Services District"

STAFF REPORT

Meeting Date

March 15, 2017

Prepared By: Mac Kaiser, Recreation Programs Supervisor
Submitted By: Mike Davies, General Manager

MRD

Agenda Title

2017 Parks and Recreation Event Calendar - Addition of Chamber of Commerce Food Truck Round Up

Recommended Action

Approve the addition of the Discovery Bay Chamber of Commerce Food Truck Round Up Event to the currently approved Parks and Recreation Event Calendar for 2017.

Executive Summary

On February 15, 2017 staff submitted the 2017 Parks and Recreation Event Calendar listing a variety of community-wide events to be held at the Discovery Bay Community Center.

On February 15, 2017, the 2017 Parks and Recreation Event Calendar was approved.

Staff is now submitting for your approval an additional event to be added to the approved 2017 Parks and Recreation Event Calendar. This event is sponsored by the Discovery Bay Chamber of Commerce and is entitled "Food Truck Roundup". This community-wide, family friendly activity will be held on the second Wednesday of each month (April – September) from 4PM to 8PM and will feature an "Off the Grid" style event featuring a variety of unique, gourmet dinner and dessert trucks, live, light music, vendor's booths, and alcohol sales on site. Attendance is anticipated to be 200-400 guests in a picnic style atmosphere at which the Chamber will charge admission. Additionally, the Discovery Bay Chamber of Commerce will pay the regular and normal Town Facility Rental Fees for use of the facilities, and will be responsible for obtaining all additional and necessary permits at their expense as required by the Town.

Staff, therefore recommends the addition of the Discovery Bay Chamber of Commerce Food Truck Round Up Event to the currently approved 2017 Parks and Recreation Event Calendar. A revised 2017 Parks and Recreation Event Calendar is attached for your review.

All events are subject to the terms and conditions in the Park Usage Rental Policy (Policy #013) and District Recreation Facilities Alcohol Policy (Policy #022). Both Policies are attached.

Fiscal Impact:

Amount Requested \$ N/A

Sufficient Budgeted Funds Available?: (If no, see attached fiscal analysis)

Prog/Fund # Category: Pers. Optg. Cap. -or- CIP# Fund#

Previous Relevant Board Actions for This Item

N/A

Attachments

Addition to the Approved 2017 Public Event Calendar
Board Policies #013 and #022.

AGENDA ITEM: C-3

2017 Public/Town Calendar - Revised 3/15/2017

2017 Event Dates	Times	Location	Event Title	Event Description	Approximate Attendance Numbers	Event Sponsors	Vendors on site	Food on site	Alcohol on site	Town/County Licenses Required	Fees Charged/Waived
April 12	3:00-9:00PM	DBCC	Food Truck Round-Up	Family friendly event. "Off the Grid" style event featuring a variety of unique/gourmet dinner trucks, live music and vendor booths.	200-400	Discovery Bay Chamber of Commerce	Yes	Yes	Yes	TODB Facility Permit CCC Health permit ABC License ECCFPD Event Permit	Fees Charged
April 15	7-12PM	DBCC	Easter Egg Hunt	DB Lions Club Easter Egg Hunt	400+	DB Lions Club	No	No	No	TODB Facility Permit	Fees Waived
April 18	3:30-5:30PM	DBCC	Childrens Program - Python Ron	Family friendly event	60	Town Event/Brentwood Library Joint Event	No	No	No	TODB Facility Permit	Fees Waived
May 10	3:00-9:00PM	DBCC	Food Truck Round-Up	Family friendly event. "Off the Grid" style event featuring a variety of unique/gourmet dinner trucks, live music and vendor booths.	200-400	Discovery Bay Chamber of Commerce	Yes	Yes	Yes	TODB Facility Permit CCC Health permit ABC License ECCFPD Event Permit	Fees Charged
June 3	8AM-11PM	DBCC	Concert in the Park	Family friendly event featuring live music, food and alcohol in partnership with the DB Lions Club.	350+	Town & DB Lions Joint Event	Yes	Yes	Yes	TODB Facility Permit CCC Health Permit ABC License	Fees Waived/Lions to donate proceeds back to Town for specific Park/Facility project
June 9, 16, 23	6:30-10:30PM	DBCC	Friday Night Movie in the Park	Family friendly movies on the event lawn at the Community Center	50-125	Town Event	No	Yes	No	CCC Health Permit Movie Licensing	N/A Town Event
June 14	3:00-9:00PM	DBCC	Food Truck Round-Up	Family friendly event. "Off the Grid" style event featuring a variety of unique/gourmet dinner trucks, live music and vendor booths.	200-400	Discovery Bay Chamber of Commerce	Yes	Yes	Yes	TODB Facility Permit CCC Health permit ABC License ECCFPD Event Permit	Fees Charged
July 7, 21, 28	6:30-10:30PM	DBCC	Friday Night Movie in the Park	Family friendly movies on the event lawn at the Community Center	50-125	Town Event	No	Yes	No	CCC Health Permit Movie Licensing	N/A Town Event
July 12	3:00-9:00PM	DBCC	Food Truck Round-Up	Family friendly event. "Off the Grid" style event featuring a variety of unique/gourmet dinner trucks, live music and vendor booths.	200-400	Discovery Bay Chamber of Commerce	Yes	Yes	Yes	TODB Facility Permit CCC Health permit ABC License ECCFPD Event Permit	Fees Charged
July 14	7PM-10PM	DBCC	Evening Cool by the Pool	Family friendly evening swim and music under the stars	50	Town Event	No	No	No	TODB Facility Permit	N/A Town Event
August 9	3:00-9:00PM	DBCC	Food Truck Round-Up	Family friendly event. "Off the Grid" style event featuring a variety of unique/gourmet dinner trucks, live music and vendor booths.	200-400	Discovery Bay Chamber of Commerce	Yes	Yes	Yes	TODB Facility Permit CCC Health permit ABC License ECCFPD Event Permit	Fees Charged
Sept 10	8AM-8PM	DBCC	Car Show	Classic, Hot Rod, Motorcycle Car show, food/beer, and vendors	300-400	DB Lions	Yes	Yes	Yes	TODB Facility Permit CCC Health Permit ABC License	Fees Charged
September 13	3:00-9:00PM	DBCC	Food Truck Round-Up	Family friendly event. "Off the Grid" style event featuring a variety of unique/gourmet dinner trucks, live music and vendor booths.	200-400	Discovery Bay Chamber of Commerce	Yes	Yes	Yes	TODB Facility Permit CCC Health permit ABC License ECCFPD Event Permit	Fees Charged
September 23	8:00AM - 8:00PM	DBCC	Summerfest	Kids zone, possible car show, business vendors, food vendors, concert and petting zoo. Alcohol Sales	500-1,000	DB Lions	Yes	Yes	Yes	TPDB Facility Permit CCC Health Permit ABC Permit ECCFPD	Fees Charged
Oct	TBD	DBCC	Second Annual Scarecrow Festival & Movie in the Park	Week long family friendly scarecrow building contest with a Movie in the Park on the last day.	50-75	Town Event	No	No	No	Town Event Movie Licensing	N/A Town Event
Dec	TBD	DBCC	Holiday Parade	Judging, Breakfast with Santa, vendors for event located in the CC parking lot	1000+	DB Lions/ Chamber of Commerce Joint Event	Yes	Yes	No	TODB Facility Permit CCC Health Permit ECCFPD Event Permit	Fees Waived



Town of Discovery Bay

Program Area: Parks and Landscaping	Policy Name: Park & Facility Usage & Rental Policy	Policy Number: 013
Date Established: April 20, 2011	Date Amended: October 19, 2016	Resolution: 2016-17

I. GENERAL INFORMATION

The Park & Facility Usage and Rental Policy outlines specific regulations and requirements associated with the permitted rental of a public facility and/or area within the Town of Discovery Bay Community Services District (District) owned or operated park. Obtaining a permit shall grant the user basic usage and access rights for the approved purpose and time only. Any fees or deposits established by the District Board of Directors shall be paid by the applicant prior to the approval of the permit. All users shall comply with County, State and Federal laws.

The District reserves the right to cancel, revoke or suspend any and all reservations, permits and applications if deemed inappropriate, flagrantly disrespectful or if harmful activities are taking place in the park or facility. No notice is required and, in some cases, the Sheriff will be notified and enforcement action will be requested. Violations of this policy may result in forfeiture of fees and/ or deposit.

Facilities and parks available for rental include:

1. Cornell Park, Tennis Court
2. Cornell Park, Pickle Ball Courts
3. Cornell Park, Baseball Field
4. Cornell Park, Soccer Field
5. Cornell Park, Shaded Picnic Area
6. Cornell Park, Horse Shoe Pits or Bocce Courts
7. Ravenswood Park, Covered Picnic Area 1
8. Ravenswood Park, Covered Picnic Area 2
9. Ravenswood Park, Soccer Field
10. Community Center, Tennis Court(s)
11. Community Center, BBQ Area
12. Community Center, Reception Area
13. Community Center, Arts and Crafts/Meeting Room
14. Community Center, Multi-Purpose Room
15. Community Center, Event lawn
16. Community Center, Swimming Pool

II. ELIGIBILITY & PRIORITY

The District reserves the right to exclude or remove activities it deems inappropriate for public use. District business will take precedence over any and all other meetings. Groups that have a reservation in advance are subject to cancellations, in rare circumstances, to accommodate this priority. All fees will be returned to the user if the District requires a cancellation or relocation of the reserved event.

In issuing permits, priority shall be given to Discovery Bay residents and events serving the Discovery Bay community.

III. RESERVATION REQUIREMENTS

The renter must be over 18 years of age, and submit a complete Reservation Form to the Community Center, a refundable damage deposit, and all applicable user fees and insurance as described in Insurance Requirements. Renters are required to provide the name and phone number of the principal contact person and a secondary contact. This person must be present onsite during the approved rental period and will be the emergency contact, and is responsible for ensuring compliance with the policies outlined. A copy of the permit must be onsite and available upon request by District staff or representatives during approved rental period.

Single day reservation may be made up to one (1) year in advance. Long-term league reservations may be made up to four (4) months in advance, unless previously approved by the Town of Discovery Bay CSD Board of Directors.

No reservation or agreement will be approved or signed until the requesting user has paid the applicable deposits and fees.

Insurance Requirements: All sports leagues, organizations, groups over 50, or inflatable play equipment operators are required to provide the District with a valid Certificate of Liability Insurance (in the amount of \$1,000,000.00), with the Town of Discovery Bay Community Services District listed as an additionally insured. Insurance Certificates must be submitted to the District at least five (5) days prior to the scheduled reservation.

Cancellations: Park Rental cancellations occurring five (5) business days or more prior to the event will be refunded all fees and deposits. Cancellations occurring four (4) business days or less prior to the event will forfeit all applicable fees but be refunded all of the deposit.

Cancellation for Indoor Facility Rentals at the Community Center occurring sixty (60) days or more prior to the event will be refunded all fees and deposits. Cancellations less than sixty (60) days, but more than thirty (30) days prior to the event date will forfeit 25% of the total fees. Cancellations less than thirty (30) days prior to the event date, but more than fifteen (15) days prior to the event date will forfeit 50% of the total fees. Cancellations occurring less than fifteen (15) days prior to the event date will forfeit all applicable fees. In all cases of cancellation, the deposit shall be returned.

Cancellation fees above do not reflect any cancellation processing fees. Processing fees are in addition to the cancellation fees described here.

Clean Up: Renters are required to clean up and return the park or area to the original condition. Trash must be placed in the receptacles provided. Trash that does not fit in the trash receptacle must be disposed of properly by the renter.

Reasonable party decorations are permitted. However, users may not put staples or nails into any tree, sign, wall or table for any purpose. All decorations must be taken down and removed from the facility.

Deposit Forfeiture: Renter agrees to take full responsibility for the behavior of their guests during the rental period. Children must be supervised at all times by adults. Any charges for damage to the park or facility or its furnishings will be deducted from the deposit. Rentals that exceed the reserved time period will be charged the hourly rate to be deducted from the deposit. Failure to leave the rented area in satisfactory condition will result in deposit forfeiture. Upon a satisfactory inspection of the premises by District staff, the deposit check will be destroyed or returned to the applicant.

Prohibited Activities: No person shall consume, possess, sell, serve or cause to be served, any alcoholic beverage of any kind within any park area, unless expressly authorized in advance of the event by the Board of Directors. The General Manager, or designee, is authorized to approve service of alcoholic beverages for private events taking place at the Discovery Bay Community Center once a complete and approved application is received and all insurance requirements and other conditions of approval are approved. See Special Conditions regarding the serving and or/sale of Alcoholic beverages, below. Fires and barbecues (BBQ) shall be permitted only in grills already provided in the park. There shall be no overnight events or camping at any Discovery Bay park facility unless expressly authorized in advance of the event by the Board of Directors.

Gambling activities are expressly prohibited at all Town of Discovery Bay Parks and Recreation facilities. Individuals or groups of individuals in violation of this prohibited activity shall immediately cease the prohibited activity. Failure to cease shall result in the immediate notification of local law enforcement authorities.

Renter agrees that they will comply with all state and local laws including but not limited to activities that require a state or local permit. At the discretion of the General Manager, or designee, security may be required on a case by case basis.

Special Conditions regarding the serving and or/sale of Alcoholic beverages:

If alcohol is to be served or sold, it must be indicated on the rental application. The General Manager or Board of Directors, as identified above, must approve any application which includes consumption or sale of alcohol. Once approved, it is the responsibility and liability of the Renter and/or organization renting the facility. At the discretion of the General Manager, or designee, security may be required on a case by case basis.

To sell alcoholic beverages at your event, a valid alcohol permit from the California Department of Alcoholic Beverage Control Board (A.B.C.) must be obtained. The permit must be on file with the District offices at least ten (10) days prior to your event.

Food and Alcohol may be consumed without an Alcohol permit from the A.B.C. when there is no monetary exchange for the food, beverages or admission charged for the event.

Violation of any of these requirements will result in immediate termination of Renter's event and will result in forfeiture of the damage deposit.

The District may require additional deposits, insurance and/or security for events where alcohol is served. These additional requirements will be determined by the circumstances of each rental request.

Food Preparation: Food and non-alcoholic beverages may be served, but not prepared on site for any indoor facility rentals at the Community Center.

Exhibitions, Events, Festivals, Meeting and Assemblies: Any person, group, society, club or organization wishing to set up or maintain any exhibition, place of amusement, concert, picture show, bandstand, performance, entertainment or other form of amusement or function where the expected attendance is fifty (50) people or more occupying the park at any one time, must first obtain written authorization from the District's General Manager. These types of requests must be submitted no less than sixty (60) days prior to the event.

IV. MISCELLANEOUS

Any policy listed herein may be waived or modified on a case-by-case basis and at the discretion of the Board of Directors.

Requirements listed herein, except those identified as "prohibited", may be waived or modified on a case-by-case basis by the General Manager, or designee, upon the finding of public interest; any such modification (including modification to fees) shall be summarized on the next available board agenda.

Policy Established:

April 20, 2011

Policy Amended:

July 16, 2013

January 8, 2014

December 16, 2015

October 19, 2016



Town of Discovery Bay

Program Area: Parks & Recreation	Policy Name: Alcohol Policy	Policy Number: 022
Date Established: September 3, 2014	Date Amended: N/A	Resolution: 2014-21

POLICY STATEMENT

The Town of Discovery Bay Community Services District supports the ability to allow renters of District facilities the ability to host private parties and to serve or consume alcohol during facility rentals when it is determined by staff to be feasible and age appropriate. This policy provides the framework to guide renters in the process to be able to serve or consume alcohol for private parties and events. The Policy outlines the procedural structure that adjusts to the different types of facility rentals based on the number of planned attendees. Management within the District must determine the appropriateness for alcohol consumption during all potential rentals to maintain consistency with this policy.

APPLICATION, AGREEMENT, & SPECIAL ALCOHOL PERMIT

Each potential renter that would like to serve or consume alcohol during a facility rental must fill out the appropriate application and agreement as well as the special alcohol permit. The rental applicant must also meet all guidelines listed in the agreement. The District reserves the right to accept or reject an individual or group's offer to serve or consume alcohol. It is strictly prohibited to sell or barter alcohol, and will be cause for immediate revocation of the permit and the cancellation of the event.

SPECIAL ALCOHOL PERMIT QUALIFICATIONS

- Age - Any person seeking to rent a District facility who intends on serving or consuming alcohol must be 21 years of age with a valid ID, and anyone who wishes to serve or consume alcohol during the rental must be 21 years of age and have a valid ID. Special Alcohol permits will not be issued if the guest of honor is a minor or if the majority of the attendees are minors.
- Applications & Fees - All applicants must fill out a rental application for the facility they would like to rent. All rental fees and deposits must be paid in full prior to the event. The Special Alcohol permit must be filled out completely and submitted at least (2) weeks prior to the rental. The alcohol permit fee for the Special Alcohol Permit is based on the number of attendees who will be present during the rental period.

1-50 Attendees - \$50
51-100 Attendees - \$75
100+ Attendees - \$100
- Insurance - Applicants are required to provide a certificate of insurance that names the Town of Discover Bay as an additional insured providing general liability insurance in and amount of not less than \$1,000,000 for each occurrence and \$1,000,000 general aggregate. The Town of Discovery Bay may be able to obtain a certificate of insurance for the event at the expense of the applicant.

DETERMINING AND APPROVAL – SPECIAL ALCOHOL PERMIT

Once the District has received a Special Alcohol permit application, the Department Manager will review the permit and make sure that all qualifications have been met. Completed forms will be reviewed for approval by the General Manager, or designee, prior to issuance of a Special Alcohol Permit.

FACILITIES

The following are the District facilities at which serving or consumption of alcohol may be approved during facility rentals with the required permits and fees

Indoor Facilities

Discovery Bay Community Center's Cabrillo Room
Discovery Bay Community Center's Marina Room
Discovery Bay Community Center's Discovery Room

Outdoor Facilities

Discovery Bay Community Center's Event Lawn
Discovery Bay Community Center's BBQ Area

RULES AND REGULATIONS

1. A District facility attendant will be present for rentals with 50+ attendees. An added fee of \$15.00/hour or partial will be assessed prior to the event based upon the anticipated timeframes. Any additional expenses shall be paid in full at the conclusion of the event or may be deducted from the security deposit .
2. All guests who will be served alcohol must be at least 21 years old and be able to provide a valid ID. Guests who cannot provide a valid ID will be acknowledged as a minor. There are No Exceptions.
3. Alcohol service includes beer, wine, & champagne. Liquor and other distilled spirits are prohibited (Glass beer bottles are prohibited).
4. Alcohol may only be brought in by the person or organization responsible for the rental or a licensed caterer. Guests may not bring their own beverages to the event. Non-Compliance may result in the cancellation of the event at the discretion of Town staff.
5. Alcohol is not to be consumed outside of the rental area(s), and shall not be consumed in entry ways or parking lots.
6. All rentals that request alcohol must have a certificate of insurance that names Town of Discovery Bay as an additional insured, as described above.
7. Alcohol will not be permitted when the guest of honor is a minor, or when a majority of the attendees are minors.
8. Alcohol service must stop (30) minutes before the designated end time of the rental.
9. There may be additional requirements for rentals with more than (50) attendees including but not limited to necessity of security, at the discretion of Town staff.
10. Alcohol service or consumption that has not been approved or fails to comply with all requirements of the agreement will result in termination of rental, and forfeiture of rental deposit.
11. The event host is responsible to fulfill all requirements of the agreement. The District is not responsible for any loss of the rental expense due to the requirements not being met.



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

March 15, 2017

Prepared By: Mike Davies, General Manager
Submitted By: Mike Davies, General Manager

MRD

Agenda Title

Town of Discovery Bay Record Retention Schedules

Recommended Action

Adopt Resolution No. 2017-05 approving Town of Discovery Bay Records Retention and Document Destruction Schedules.

Executive Summary

Our Records Retention Schedules have been updated to reflect changes in law and operations. The adoption of these updated retention schedules will result in efficiency gains and cost savings

Background:

The Town's records management consultant, Gladwell Governmental Services, Inc., (GGS), has reviewed and updated the records retention schedules to bring them current with changes in law and operational "Best Practices."

Additions are in blue underlined font; deletions are in red strike out.

The update of the records retention schedules are driven by many factors, including:

- Many departments are filing and storing copies of the same records
- Town of Discovery Bay produces and manages many permanent records
- Escalating records storage expenses
- Technology advancements
- Changes in law, pertaining to special district records

Gladwell Governmental Services, Inc. has assisted over 150 California municipal governments with their records management, records retention and/or document imaging programs, including many special districts, agencies or units.

The appropriate Department Manager, the General Manager, and District Counsel have reviewed and approved all Retention Schedules.

Fiscal Impact:

The Town of Discovery Bay will realize significant savings both in labor and storage expenses; including the avoidance of future storage and/or construction costs.

Amount Requested \$

Sufficient Budgeted Funds Available?:

Prog/Fund # Category: Pers. Optg. Cap. -or- CIP# Fund#

Previous Relevant Board Actions for This Item:

November 19, 2014 - Adoption of Resolution 2014-26 and Record Retention and Document Destruction Schedules.

Attachments

Resolution 2017-05; How to Use Retention Schedules; Record Retention Schedule Legend; Updated Record Retention Schedules Per Department

AGENDA ITEM: C-4



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

RESOLUTION 2017-05

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TOWN OF DISCOVERY BAY,
A CALIFORNIA COMMUNITY SERVICES DISTRICT,
ADOPTING A RECORDS RETENTION SCHEDULE AND AUTHORIZING DESTRUCTION OF
CERTAIN DISTRICT RECORDS,
AND RESCINDING PREVIOUS RESOLUTION 2014-26**

WHEREAS, the maintenance of numerous records is expensive, slows document retrieval, and is not necessary after a certain period of time for the effective and efficient operation of the government of the Town of Discovery Bay Community Services District; and

WHEREAS, Section 60200 of the Government Code of the State of California provides that the legislative body of a special district may authorize at any time the destruction or disposition of any duplicate record, paper, or document, the original or a permanent photographic record of which is in the files of any officer or department of the district; and

WHEREAS, Section 60201 of the Government Code of the State of California is amended effective January 1, 2005 to provide that district records which have served their purpose, which are not expressly required by law to be filed and preserved, and which will not adversely affect any interest of the district or public may be destroyed; and

WHEREAS, the District has a procedure to maintain a list of the types of records destroyed or disposed of that reasonably identifies the information contained in the records in each category; and

WHEREAS, the District previously adopted Resolution 2014-26 adopting records retention schedules;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Resolution Number 2014-26 is hereby rescinded.

Section 2. The Board of Directors finds that the destruction or disposition of the records series that have exceeded the retention periods as set forth in the Records Retention Schedule Exhibit A will not adversely affect any interest of the District or the public.

Section 3. The records of the Town of Discovery Bay Community Services District, as set forth in the Records Retention Schedule Exhibit A, attached hereto and incorporated herein by this reference, are hereby authorized to be destroyed as provided by Section 60201 et seq. of the Government Code of the State of California and in accordance with the provision of said schedule in accordance with District policies and procedures.

Section 4. The term "records" as used herein shall include documents, instructions, books, microforms, electronic files, magnetic tape, optical media, or papers; as defined by the California Public Records Act.

Section 5. The Board Secretary shall certify the adoption of this Resolution.

Section 6. This Resolution shall become effective immediately upon its passage and adoption.

PASSED, APPROVED AND ADOPTED THIS 15th DAY OF MARCH 2017

Robert Leete
Board President

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Town of Discovery Bay Community Services District at a regularly scheduled meeting, held on March 15, 2017, by the following vote of the Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

Michael Davies
Board Secretary

HOW TO USE RETENTION SCHEDULES

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A legend explaining the information presented in the retention schedule has been printed on the back of each page for your easy reference; an index to locate records is also provided.

The specified retention period applies regardless of the media of the record: If a record is stored on paper and a computer file on a hard drive, both records should be destroyed (or erased) after the specified period of time has elapsed.

Copies or duplicates of records should never be retained longer than the prescribed period for the original record.

STRUCTURE: DISTRICTWIDE, DEPARTMENTS & DIVISIONS

The District-wide retention schedule includes those records all departments have in common (letters, memorandums, purchase orders, etc.). These records are NOT repeated in the Department retention schedule, unless that department is the Office of Record, and therefore responsible for maintaining the original record for the prescribed length of time.

Each department has a separate retention schedule that describes the records that are unique to its department, or for which it is the Office of Record. Where appropriate, the department retention schedules are organized by Division within that Department. If a record is not listed in your department retention schedule, refer to the District-wide retention schedule. An index will be provided for your reference.

BENEFITS

This retention schedule will provide the District with the following benefits:

- Reduce administrative expenses, expedite procedures
- Free filing cabinet and office space
- Reduce the cost of records storage
- Eliminate duplication of effort within the District
- Find records faster
- Easier purging of file folders
- Determine what media should be used to store records

For questions, please contact the District Clerk.

Authorization to Destroy Records:

All original records that have exceeded their retention period must be authorized for destruction according to District Policies & Procedures prior to destroying them.

Copies, drafts, notes and non-records do NOT require authorization, and can be destroyed "When No Longer Required."

- If there is a **minimum** retention (" **Minimum 2 years**"), it must be authorized for destruction before it is destroyed, as it is an original record.
- If there is **NOT** a minimum retention ("When No Longer Required"), it does **NOT** need to be authorized for destruction prior to destruction, as it is a preliminary draft / transitory record or a copy.
- On every page of the schedules (near the top, just under the column headings) are important instructions, including instructions regarding holds on destroying records. "**Litigation, complaints, claims, public records act requests, audits and/or investigations suspend normal retention periods (retention resumes after settlement or completion).**"

RECORDS RETENTION SCHEDULE LEGEND

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OFR (Office of Record): The department that keeps the original or “record copy.” Usually it is the department that originates the record, unless the item is for a District Board meeting (then it is the District Clerk.)

Records Description: The record series (a group of like records).

Transitory Records: Records that are not retained in the ordinary course of business, including without limitation: Preliminary drafts, notes, or interagency or intra-agency memoranda and records having only transitory value. Examples: Telephone messages, meeting room reservation schedules, logs, source records entered into a computer system that qualify as a “trusted system”, etc.

Non-Record: Documents, studies, books and pamphlets produced by outside agencies, preliminary drafts not retained by the District in the ordinary course of business.

Retention/Disposition:

- Active:** How long the file remains in the immediate office area (*guideline*)
- Inactive:** How long the file is in off-site storage, stored on Optical Disk or Microforms (*guideline*)
- Total Retention:** The total number of years the record will be retained active and inactive

For file folders containing documents with different retention timeframes, use the document with the longest retention time.

P = Permanent

Indefinite = No fixed or specified retention period; used for databases, because the data fields are interrelated.

Vital? = Those records that are needed for basic operations in the event of a disaster.

Media Options (*guideline*) – the form of the record:

- Mag = Computer Magnetic Media (hard drives, tapes, USB Drives, thumb drives, etc.)
- Mfr = Microforms (aperture cards, microfilm, microfiche, or jackets)
- Ppr = Paper
- OD = Optical Disk, CD-r, DVD-r, WORM, or other media which does not allow changes

Scan / Import (*guideline*):

- “S” indicates the record should be scanned into the document imaging system;
- “I” indicates the record should be electronically imported into the document imaging system;
- “M” indicates the record should be microfilmed

Destroy Paper after Imaged & QCd (*guideline, if record is imaged*): QCd=Quality Checked. “Yes” indicates the paper version may be destroyed if the document has been imaged (microfilmed, scanned or imported onto Optical Disk – CD-R, WORM or DVD-R), and both the images and indexing have been QCd.

Legend for legal citations (§: Section)

- CC: Civil Code (CA)
- CFC: California Fire Code
- EVC: Evidence Code (CA)
- FTB: Franchise Tax Board (CA)
- HUD: Housing & Urban Develop. (US)
- PC: Penal Code (CA)
- USC: United States Code (US)
- WC: Water Code

- B&P: Business & Professions Code (CA)
- CCP: Code of Civil Procedure (CA)
- CFR: Code of Federal Regulations (US)
- FA: Food & Agriculture Code (CA)
- GC: Government Code (CA)
- LC: Labor Code (CA)
- R&T: Revenue & Taxation Code (CA)
- VC: Vehicle Code (CA)

- CBC: California Building Code
- CCR: California Code of Regulations (CA)
- EC: Elections Code (CA)
- FC: Family Code (CA)
- H&S: Health & Safety Code (CA)
- Ops. Cal. Atty. Gen.: Attorney General Opinions (CA)
- UFC: Uniform Fire Code
- W&I: Welfare & Institutions Code (CA)

RECORDS RETENTION SCHEDULE: DISTRICT-WIDE STANDARDS

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Records Center)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Human Resources	DW-001	Accident, Incident, Injury reports: EMPLOYEES , with associated MSDS, if a chemical was involved	Copies - When No Longer Required		Copies - When No Longer Required			Mag, Ppr		Copies retained for reference; GC §60200
Risk Manag.	DW-002	Accident, Incident, Injury reports: PUBLIC	Copies - When No Longer Required		Copies - When No Longer Required			Mag, Ppr		Copies retained for reference; GC §60200
Finance	DW-003	Accounts Payable, Invoices, Petty Cash, Warrant Requests, etc. ALL backup is forwarded to Finance	Copies - When No Longer Required		Copies - When No Longer Required	Yes: Before Payment		Mag, Ppr		All originals go to Finance (these are copies); GC §60200
Lead Dept.	DW-004	Affidavits of Publications / Public Hearing Notices / Legal Advertising / Affidavits of Posting	2 years		2 years			Mag, Mfr, OD, Ppr		Brown Act challenges must be filed within 30 or 90 days of action; Statute of Limitations on Municipal Government actions is 3 - 6 months; CCP §§337 et seq, 349.4; GC §§60201, 54960.1(c)(1)
Board Clerk	DW-005	Agenda Packets / Staff Reports: Board of Directors	Copies - When No Longer Required		Copies - When No Longer Required			Mag, Mfr, OD, Ppr	S	Yes: After QC & OD GC §60200
Board Clerk	DW-006	Agreements & Contracts ALL BOARD APPROVED (Specifications / Scope of Work, Notices of Completion, etc.)	Copies - When No Longer Required		Copies - When No Longer Required			Mag, Mfr, OD, Ppr	S	Yes: Upon Completion All agreements that are approved by the Board of Directors are sent to the Board Clerk; GC §60200

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Records Center)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
(OFR)										
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Lead Dept.	DW-007	Agreements & Contracts: ADMINISTRATIVE FILES / ORIGINAL CONTRACTS Not Approved by the Board of Directors (Correspondence, Project Administration, Project Schedules, Certified Payrolls, Insurance Certificates, Invoices, Logs, RFP, etc.)	Completion	10 years	Completion + 10 years	Yes: Before Completion	Mag, Mfr, OD, Ppr	S/I	Yes: Upon Completion	Covers E&O Statute of Limitations (insurance certificates are filed with agreement); Published Audit Standards=4-7 years; Statute of Limitations: Contracts & Spec's=4 years, Wrongful Death=comp. + 5 years, Developers=comp. + 10 years; Statewide guidelines propose termination + 5 years; CCP §337 et. seq., GC §60201
Lead Dept.	DW-008	Agreements & Contracts: ADMINISTRATIVE FILES (with Grant Funding) / ORIGINAL CONTRACTS Not Approved by the Board of Directors (Correspondence, Project Administration, Project Schedules, Certified Payrolls, Insurance Certificates, Invoices, Logs, RFP, etc.)	Completion	10 years or After Funding Agency Audit, if required, whichever is longer	Completion + 10 years or After Funding Agency Audit, if required, whichever is longer	Yes: Before Completion	Mag, Mfr, OD, Ppr	S/I	Yes: Upon Completion	Some grant funding agencies require audits; Statute of Limitations for Errors & Omissions is 10 years; Published Audit Standards=4-7 years; Statute of Limitations: Contracts & Spec's=4 years, Wrongful Death=comp. + 5 years, Developers=comp. + 10 years; Statewide guidelines propose termination + 5 years; CCP §337 et. seq., 21 CFR 1403.36 & 1403.42(b); 24 CFR 85.42, 91.105(h), 92.505, & 570.502(b), 28 CFR 66.42; 29 CFR 97.42; 40 CFR 31.42; 44 CFR 13.42; 45 CFR 92.42; OMB Circular A-133GC §60201

RECORDS RETENTION SCHEDULE: DISTRICT-WIDE STANDARDS

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference
			Active (in office)	Inactive (Records Center)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>									
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>									
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>									
Lead Dept.	DW-009	Agreements & Contracts: UNSUCCESSFUL BIDS, UNSUCCESSFUL PROPOSALS or RESPONSES to RFPs (Request for Proposals) and/or RFQs (Request for Qualifications) that don't result in a contract	2 years		2 years		Mag, Ppr		The RFP / RFQ and the successful proposal becomes part of the agreement or contract (Board Clerk is OFR); GC §60201
Finance	DW-010	Audits / Audit Reports / CAFR - Comprehensive Annual Financial Reports	Copies - When No Longer Required		Copies - When No Longer Required		Mag, Ppr		Copies; GC §60200
	DW-011	Bids: See Agreements & Contracts							
Staffing Dept.	DW-012	Boards and Committees: AUDIO RECORDINGS of Meetings / Audio Tapes	2 years		2 years		Tape (Mag)		District preference; State law only requires for 30 days; GC §54953.5(b)
Staffing Dept.	DW-013	Boards, Commissions, & Committees: Board of Directors Subcommittees (Composed solely of less than a quorum of the Board of Directors)	2 years		2 years		Mag, Ppr		All recommendations are presented to the Board of Directors; GC §60201 et seq.
	DW-014	Boards, Commissions, & Committees: External Organizations (e.g. County Board of Supervisors)	When No Longer Required		When No Longer Required		Mag, Ppr		Non-records

RECORDS RETENTION SCHEDULE: DISTRICT-WIDE STANDARDS

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference	
			Active (in office)	Inactive (Records Center)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?		
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>											
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>											
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>											
Staffing Dept.	DW-015	Boards, Commissions, & Committees: Residents Advisory Bodies Formed by Board of Directors AGENDAS, AGENDA PACKETS.	Minimum 2 years		Minimum 2 years			Mag, Ppr			Brown Act challenges must be filed within 30 or 90 days of action; GC §§60201, 54960.1(c)(1)
Staffing Dept.	DW-016	Boards, Commissions, & Committees: Residents Advisory Bodies Formed by Board of Directors MINUTES & BYLAWS	P		P	Yes		Mag, Mfr, OD, Ppr	S	Yes: After 10 years	Notes taken to facilitate the writing of the minutes can be destroyed after minutes have been adopted; GC §60201 et seq.
	DW-017	Brochures: See Reference Manuals									
Board Clerk & Finance	DW-018	Budgets - Finals	Copies - When No Longer Required		Copies - When No Longer Required	Yes: Current Fiscal Year		Mag, Mfr, OD, Ppr	S/I	Yes: After 5 years	Final must be filed with County Auditor; GC §60200, 40802, 53901
Lead Dept.	DW-019	Attorney Opinions	Minimum 2 years		Minimum 2 years	Yes		Mag, Mfr, OD, Ppr	S		Department Preference; GC §60201
Board Clerk AND Risk Manage.	DW-020	Claims	Copies - When No Longer Required (Upon Settlement)		Copies - When No Longer Required (Upon Settlement)	Yes: Before Settlement		Mag, Mfr, OD, Ppr	S/I	Yes: After Settlement	GC §§60200, 60201.6

RECORDS RETENTION SCHEDULE: DISTRICT-WIDE STANDARDS

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<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>									
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Lead Dept.	DW-021	Committees Internal - Attended by employees: All Records (e.g. Records Management Committee, In-House Task Forces, etc.)	2 years		2 years		Mag, Ppr		GC §60201
Lead (Responding) Dept.	DW-022	Complaints / Concerns from Citizens Computer Tracking Software or Correspondence	Minimum 2 years		Minimum 2 years		Mag, Ppr		District preference; Statute of Limitations for personal property, fraud, etc. is 3 years; Claims must be filed in 6 months; CCP §§338 et seq., 340 et seq., 342, GC §§945.6, GC §60201
	DW-023	Contracts: See Agreements							
	DW-024	Copies or duplicates of any record	Copies - When No Longer Required		Copies - When No Longer Required		Mag Ppr		GC §60200
Dept. that Authors Document or Receives the District's Original Document	DW-025	Correspondence - ROUTINE (e.g. Letters, Memos, Administrative, Chronological, General Files, Memorandums, Reading File, Working Files, etc.)	2 years		2 years		Mag, Ppr		GC §60201

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(OFR)										
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
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<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Dept. that Authors Document or Receives the District's Original Document	DW-026	Correspondence - TRANSITORY / PRELIMINARY DRAFTS , Interagency and Intraagency Memoranda not retained in the ordinary course of business (e.g. calendars, checklists, e-mail or social media posting NOT made or retained for the purpose of preserving the informational content for future reference , invitations, instant messaging, logs, mailing lists, meeting room registrations, supply inventories, telephone messages, text messages , transmittal letters, thank yous, requests from other cities, undeliverable envelopes, visitors logs, voice mails, webpages, etc.)	When No Longer Required		When No Longer Required			Mag, Ppr		Electronic and paper records are filed and retained based upon their content. E-mails, electronic records, or social media postings that ARE made or retained for the purpose of preserving the informational content for future reference are saved outside the e-mail system by printing them out and placing them in a file folder, or saving them electronically; If not mentioned here, consult the District Attorney to determine if a record is considered transitory / preliminary drafts. GC §60201, GC §6252; 64 Ops. Cal. Atty. Gen. 317 (1981)
Board Clerk	DW-027	Deeds, Easements, Final Orders of Condemnations (All)	Copies - When No Longer Required		Copies - When No Longer Required			Mag, Ppr		Send all originals to the Board Clerk; GC §60200
Lead Dept.	DW-028	Drafts & Notes: Drafts that are revised (retain final version)	When No Longer Required		When No Longer Required			Mag, Ppr		As long as the drafts and notes are not retained in the "Regular Course of Business". Consult the District Attorney to determine if a record is considered a draft. GC §§60201, 6252, 6254(a)

RECORDS RETENTION SCHEDULE: DISTRICT-WIDE STANDARDS

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<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>									
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>									
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Lead Dept.	DW-029	Facility Use Applications / Facility Use Permits	2 years		2 years		Mag, Ppr		GC §60201
Lead Dept.	DW-030	GIS Database / Data / Layers (both District-wide and Specialized)	When No Longer Required		When No Longer Required	Yes	Mag		The Lead Department should print out historical documents (or save source data) prior to replacing the data, if they require the data or output for historical purposes; Department Preference (Preliminary documents); GC §60201 et seq.
Lead Dept.	DW-031	Grants (UNSUCCESSFUL Applications, Correspondence)	2 years		2 years		Mag, Ppr		GC §60201

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Lead Dept.	DW-032	Grants / CDBG / Reimbursable Claims (SUCCESSFUL Reports, other records required to pass the funding agency's audit, if required) Applications (successful), grant agreement, program rules, regulations & procedures, reports to grant funding agencies, correspondence, audit records, completion records	2 years	After Funding Agency Audit, if Required - Minimum 5 years	After Funding Agency Audit, if required - Minimum 5 years		Mag, Ppr		Meets auditing standards; Grants covered by a Consolidated Action Plan are required for 5 years; Uniform Admin. Requirements for Grants to Local Governments is 3 years from expenditure report or final payment of grantee or subgrantee; statewide guidelines propose 4 years; 2 CFR 200.333 ; 7-CFR-3016.42 ; 21 CFR 1403.36 & 1403.42(b); 24 CFR 85.42, 91.105(h), 92.505, 570.490, & 570.502(a&b), 28 CFR 66.42; 29 CFR 97.42; 40 CFR 31.42; 44 CFR 13.42; 45 CFR 92.42; OMB Circular A-110 & A-133GC §60201
Human Resources	DW-033	Grievances and Informal Complaints (Employees)	Copies - When No Longer Required		Copies - When No Longer Required	Yes: Before Disposition	Mag, Ppr		Send all grievances to Human Resources; All State and Federal laws require retention until final disposition of formal complaint; State requires 2 years after action is taken; GC §§12946, 60201

RECORDS RETENTION SCHEDULE: DISTRICT-WIDE STANDARDS

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Risk Manag.	DW-034	Lawsuits, Litigation, Pending Litigation	Copies - When No Longer Required (Upon Settlement)		Copies - When No Longer Required (Upon Settlement)	Yes: Before Settlement	Mag, Mfr, OD, Ppr	S/I	Yes: After Settlement	Risk Management administrates claim; GC §§60200, 60201.6
Lead Dept.	DW-035	Leave Requests / Vacation Requests	When No Longer Required		When No Longer Required		Mag, Ppr			District Preference; Preliminary draft / transitory record; GC §60201, GC §6252
Board Clerk	DW-036	Minutes - Board of Directors	Copies - When No Longer Required		Copies - When No Longer Required	Yes (all)	Mag, Mfr, OD, Ppr	S	No	Originals maintained by Board Clerk Permanently; GC §60200
Board Clerk	DW-037	Municipal Code (these are copies)	Copies - When No Longer Required		Copies - When No Longer Required	Yes: Current Original	Mag, Mfr, OD, Ppr	I	No	Return any whole unused codes to the Board Clerk; Originals maintained by Board Clerk Permanently; GC §60201
Lead Dept.	DW-038	Newspaper Clippings	When No Longer Required		When No Longer Required		Ppr			Non-records - may be obtained from the newspaper company; GC §60201
Staffing Dept.	DW-039	Notices: Public Hearing Notices and Proofs of Publications	Project Approval + 2 years		Project Approval + 2 years		Mag, Ppr			Statute of Limitations on Municipal Government actions is 3 - 6 months; CCP§337 et seq; GC §60201
Board Clerk	DW-040	Ordinances - Board of Directors	Copies - When No Longer Required		Copies - When No Longer Required	Yes (all)	Mag, Mfr, OD, Ppr	S	No	Originals maintained by Board Clerk Permanently; GC §60201

RECORDS RETENTION SCHEDULE: DISTRICT-WIDE STANDARDS

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Human Resources	DW-041	Personnel Files	Send to Human Resources Upon Separation or Transfer		Send to Human Resources Upon Separation or Transfer	Before Separation	Mag, Ppr			Ensure records kept in Department files comply with District policy (all originals are sent to Human Resources); GC §60200
Lead Dept.	DW-042	Personnel Files (Supervisor's Notes)	When No Longer Required		When No Longer Required	Before Annual Performance Evaluation	Mag, Ppr			Preliminary Drafts ; Notes maintained in a separate folder to be incorporated into performance evaluation, or to document progressive discipline; GC §60201 et seq.
Lead Dept.	DW-043	Personnel Work Schedules	2 years		2 years		Mag, Ppr			GC §60201
Lead Dept.	DW-044	Public Relations / Press Releases	2 years		2 years		Mag, Ppr			GC §60201
Lead Dept. (Who Ordered the Appraisal)	DW-045	Real Estate Appraisal Reports: Property NOT purchased, Loans not funded, etc.	2 years		2 years		Mag, Ppr			Not accessible to the public; Statewide Guidelines show 2 years; GC §§60201, 6254(h)
Lead Dept. (Who Ordered the Appraisal)	DW-046	Real Estate Appraisal Reports: Purchased Property, Funded Loans	2 years	Minimum 3 years	Minimum 5 years	Yes: Before Purchase	Mag, Mfr, OD, Ppr	S	Yes: After Inactive	Not accessible to the public until purchase has been completed; meets grant auditing requirements; 24 CFR 85.42 & 91.105(h), & 570.502(b); 29 CFR 97.42, GC §60201

RECORDS RETENTION SCHEDULE: DISTRICT-WIDE STANDARDS

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	DW-047	Reference Materials: Policies, Procedures, Brochures, Manuals, Brochures, Flyers, Manuals, Newsletters , etc: Produced by OUTSIDE ORGANIZATIONS (League of California Cities, Chamber of Commerce, etc.)	When No Longer Required		When No Longer Required			Mag, Ppr		Non-Records	
Lead Dept.	DW-048	Reference Materials: Policies, Procedures, Brochures, Flyers, Manuals, Newsletters , etc: Produced by YOUR Department	Minimum 2 years		Minimum 2 years			Mag, Ppr		Statewide guidelines propose superseded + 2 or 5 years; GC §60201	
Lead Dept.	DW-049	Reference Materials: Policies, Procedures, Brochures, Flyers, Manuals, Newsletters , etc: Produced by OTHER Departments	When Superseded		When Superseded			Mag, Ppr		Copies; GC §60200	
	DW-050	Reference or Working Files: See Correspondence									
Lead Dept.	DW-051	Reports and Studies (Historically significant - e.g., Zoning Studies)	10 years	P	P			Mag, Mfr, OD, Ppr	S/I	Yes: After 10 years	Administratively and Historically significant, therefore retained permanently; GC §60201
Lead Dept.	DW-052	Reports and Studies (other than Historically significant reports - e.g. Annual Reports)	10 years		10 years			Mag, Ppr			Information is outdated after 10 years; statewide guidelines propose 2 years; If historically significant, retain permanently; GC §60201

RECORDS RETENTION SCHEDULE: DISTRICT-WIDE STANDARDS

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Board Clerk	DW-053	Resolutions - Board of Directors	Copies - When No Longer Required		Copies - When No Longer Required	Yes (all)	Mag, Mfr, OD, Ppr	S	No	Originals maintained by Board Clerk Permanently; GC §60200
Lead Dept.	DW-054	Special Projects / Subject Files / Issue Files	Minimum 2 years		Minimum 2 years		Mag, Ppr			Department Preference; GC §60201 et seq.
Lead Dept.	DW-055	Subject / Reference Files: Subjects other than Specifically Mentioned in Retention Schedules	Minimum 2 years		Minimum 2 years		Mag, Ppr			Department Preference; GC §60201 et seq.
Lead Dept.	DW-056	Surveys / Questionnaires (that the District issues). If a summary of the data is compiled, the survey forms are considered a draft or transitory record, and can be destroyed as drafts (When No Longer Required)	2 years		2 years		Mag, Ppr			GC §60201
Finance / Payroll	DW-057	Time Sheets / Time Cards / Overtime Sheets / Overtime Cards	Copies - When No Longer Required		Copies - When No Longer Required		Mag, Ppr			GC §60200

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Lead Dept.	DW-058	Training - ALL COURSE RECORDS (Attendance Rosters, Outlines and Materials; includes Ethics & Safety training & Tailgate Training Meetings)	2 years	5 years	7 years		Mag, Mfr, OD, Ppr	S	Yes: When Inactive	Department preference; Ethics Training is 5 years; Statewide guidelines propose 7 years; Calif. Labor Division is required to keep their OSHA records 7 years; EEOC/FLSA/ADEA (Age) requires 3 years for promotion, demotion, transfer, selection, or discharge; State Law requires 2 -3 years for personnel actions; 8 CCR §3203 et seq., 29 CFR 1602.31 1627.3(b)(ii), LC §6429(c); GC §§12946, 60201, 53235.2(b)
Lead Dept.	DW-059	Volunteer / Unpaid Intern Applications & Agreements - Successful	Inactive / Separation + 3 years		Inactive / Separation + 3 years		Ppr			Department preference (Courts treat volunteers as employees); EEOC/FLSA/ADEA (Age) requires 3 years for promotion, demotion, transfer, selection, or discharge; 29 CFR 1602.31 & 1627.3(b)(1)(i)&(ii), GC
Lead Dept.	DW-060	Volunteer / Unpaid Intern Applications & Agreements - Unsuccessful or Pending Applicants	3 years		3 years		Ppr			Department preference (Courts treat volunteers as employees); EEOC/FLSA/ADEA (Age) requires 3 years for promotion, demotion, transfer, selection, or discharge; 29 CFR 1602.31 & 1627.3(b)(1)(i)&(ii), GC

RECORDS RETENTION SCHEDULE: FINANCE

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
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ADMINISTRATION										
Finance / Admin.	FIN-001	Adjusting Entries / Journal Entries	5 years		5 years		Mag, OD, Ppr	S/I	Yes: After QC & OD	Department Preference; Meets municipal government auditing standards; GC §60201
Finance / Admin.	FIN-002	Audit Work Papers (Finals)	5 years		5 years		Mag, OD, Ppr	S / I	Yes: After QC & OD	Department Preference; GC §60201
Finance / Admin.	FIN-003	Audited Financial Statements / Comprehensive Annual Financial Report (CAFR) with Audit Management Letters / Audit Reports	2 years	P	P		Mag, OD, Ppr	S / I	Yes: After QC & OD	Department Preference for historical purposes; District Secretary retains original permanently; GC §60201 et seq.
Finance / Admin.	FIN-004	Audits - Operational (Internal Audits)	2 years	5 years	7 years		Mag, OD, Ppr	S / I	Yes: After QC & OD	Department Preference; GC §60201
Finance / Admin.	FIN-005	Bank Statements / Checking Account Reconciliation / Bank Reconciliation (Transaction Statements, Wire Transfers, Check Listing Audit Trail, Deposits, Treasury Statements, Trustee & Investment Statements, etc.)	7years		7 years		Mag, Ppr			District Preference (may include records pertaining to independent contractor's compensation, or expense reimbursement); Meets auditing standards; GC §60201
Finance / Admin.	FIN-006	Bonds / Certificates of Participation / Transcripts / Disclosure Reports / Lines of Credit / Promissory Notes	Fully Defeased or Matured + 10 years		Fully Defeased or Matured + 10 years	Yes: Until Maturity	Mag, OD, Ppr	S / I	No	Statute of Limitations for bonds, mortgages, trust deeds, notes or debentures is 6 years; Bonds issued by local governments are 10 years; There are specific requirements for disposal of unused bonds; CCP §§336a(1) et seq.; 337.5(a); 26 CFR 1.6001-1(e); GC §§43900 et seq., 60201

RECORDS RETENTION SCHEDULE: FINANCE

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
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(OFR)										
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Finance / Admin.	FIN-007	Budgets: Adopted, Budget Hearing, etc.	10 years	P	P	Yes: Current Fiscal Year	Mag, OD, Ppr	S / I	Yes: After QC & OD	Department Preference; District Secretary maintains originals; longer for administrative value; GC §60200
Finance / Admin.	FIN-008	Budgets: Development, Drafts, etc.	When No Longer Required		When No Longer Required		Mag, Ppr			Department Preference; District Secretary maintains originals; longer for administrative value; GC §60200
Finance / Admin.	FIN-009	Chart of Accounts (Print out if a software change is made in order to retain historical account numbers)	2 years	5 years	7 years		Mag, Ppr			Department Preference; GC §60200
Finance / Admin.	FIN-010	Contractor Deposits, Refundable Bonds, Receipts	Close + 5 years		Close + 5 years		Mag, Ppr			Department Preference; Meets municipal government auditing standards; GC §60201
Finance / Admin.	FIN-011	Depreciation Schedules	5 years		5 years		Mag, Ppr	S / I	Yes: After Inactive	Department Preference (consistent with audit work papers); Published articles show 7 years after disposal; GC §60201
Finance / Admin.	FIN-012	Developer Trust Accounts	Close + 5 years		Close + 5 years		Mag, OD, Ppr	S / I	Yes: After 3 months	Department Preference (meets auditing standards); GC §60201
Finance / Admin.	FIN-013	Financial Reports: Journals, Ledgers, Reconciliations, Registers, Reports, Transaction Histories, Balance Sheets, Budget Adjustments, Trial Balance, (MONTHLY OR PERIODIC) Does NOT include year-end General Ledger.	When No Longer Required		When No Longer Required		Mag, Ppr			Draft / Preliminary documents used to produce final year-end general ledger (financial database is the original); GC §60201

RECORDS RETENTION SCHEDULE: FINANCE

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Finance / Admin.	FIN-014	Financial System Database	Indefinite		Indefinite			Mag		Data is interrelated; system qualifies as a "trusted system"; GC §§60201, 12168.7
Finance / Admin.	FIN-015	Fixed Assets - Auction / Disposal / Sales / Surplused	2 years	3 years	5 years			Mag, Ppr		Consistent with Accounts Receivable; Statute of limitations is 3 years; statewide guidelines propose 2 - 4 years; published articles show 3 - 6 years; GC §60201, CCP §337
Finance / Admin.	FIN-016	General Ledger: Final year-end	Minimum 7 years		Minimum 7 years			Mag, OD, Ppr	S / I	Department Preference; Published articles show 3 - 7 years; GC §60201
Finance / Admin.	FIN-017	Investments (Including Arbitrage)	5 years		5 years	Yes: Until Maturity		Mag, Ppr		Department Preference; GC §60201
Finance / Admin.	FIN-018	Journal Entries	2 years	5 years	7 years			Mag, Ppr		Department Preference; Statute of Limitations is 4 years; Published articles show 6-7 years; GC §60201, CCP §337
Finance / Admin.	FIN-019	Monthly Work Papers	When No Longer Required		When No Longer Required			Mag, Ppr		Preliminary Drafts; GC §60200
Finance / Admin.	FIN-020	Petty Cash Reconciliation	7 years		7 years			Mag, Ppr		District Preference (may include records pertaining to independent contractor's compensation, or expense reimbursement); Meets auditing standards; GC §60201
Finance / Admin.	FIN-021	State Controller's Report / Local Government Compensation Report	5 years		5 years			Mag, Ppr		District Preference; GC §60201

RECORDS RETENTION SCHEDULE: FINANCE

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Finance / Admin.	FIN-022	State Controller's Report / Special Districts Financial Transactions Report	5 years		5 years		Mag, OD, Ppr	S/I	Yes: After QC & OD	Department Preference; GC §60201
Finance / Admin.	FIN-023	Tax Exempt Status Forms (Federal or State) for Public Financing Corporation - 990-N, 199-N	P		P		Mag, OD, Ppr	S/I	Yes: After QC & OD	Department Preference; GC §60201
Finance / Admin.	FIN-024	Tax Returns (Sales Tax, etc.)	5 years		5 years		Mag, Ppr			Department Preference; IRS: 4 years after tax is due or paid (longer for auditing & contractor delinquency); Ca. FTB: 3 years; Published articles show permanent; ; IRS Reg §31.6001-1(e)(2), 26 CFR §1.6001-1, R&T §19530, GC §60201
ACCOUNTS PAYABLE										
Finance / Accounts Payable	FIN-025	1099's , 1096's, W-9's	2 years	5 years	7 years		Mag, OD, Ppr	S/I	Yes: After QC & OD	IRS: 4 years after tax is due or paid (longer for auditing & contractor delinquency); Ca. FTB: 3 years; Published articles show permanent; ; IRS Reg §31.6001-1(e)(2), R&T §19530, GC §60201(d)(12)

RECORDS RETENTION SCHEDULE: FINANCE

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference	
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan		Destroy Paper after Imaged & QC'd?
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Finance / Accounts Payable	FIN-026	Accounts Payable Source Records (includes Invoices, Receivers, Travel Expense Reimbursements, etc.)	2 years	5 years	7 years	Yes: Until Paid	Mag, OD, Ppr	S/I	Yes: After QC & OD	May contain independent contractor's compensation, expense reimbursement, or District credit card records; Meets municipal government auditing standards; Sewage Sludge is required for 5 years; Published articles show 3 - 7 years; 40 CFR 122.41(j)(2); WC §13263.2(b) et seq.; GC §60201(d)(12)
Finance / Accounts Payable	FIN-027	Check Copies	2 years	5 years	7 years		Mag, OD, Ppr	S/I	Yes: After QC & OD	May contain independent contractor's compensation; Statute of Limitations is 4 years; Meets municipal government auditing standards; GC §60201(d)(12), CCP § 337
Finance / Accounts Payable	FIN-028	Check Registers (Including Payables and Receiving Transaction Journals)	When No Longer Required		When No Longer Required		Mag, Ppr			Draft / Preliminary documents (financial database is the original); GC §60201
Finance / Accounts Payable	FIN-029	Petty Cash	2 years	5 years	7 years		Mag, OD, Ppr	S/I	Yes: After QC & OD	May contain independent contractor's compensation, expense reimbursement, or District credit card records; Meets municipal government auditing standards; GC §60201(d)(12)

RECORDS RETENTION SCHEDULE: FINANCE

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>									
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>									
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>									
Finance / Accounts Payable	FIN-030	W-9's	7 years		7 years		Mag, Ppr		District Preference; Related to independent contractor's compensation; IRS: 4 yrs after tax is due or paid; Ca. FTB: 3 years; Articles show 7 years; IRS Reg §31.6001-1(e)(2), R&T §19530; 29CFR 516.5 - 516.6, 29USC 436, GC §60201(d)(12)

RECORDS RETENTION SCHEDULE: FINANCE

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference	
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?		
(OFR)											
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>											
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>											
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>											
PAYROLL											
Finance / Payroll	FIN-052	1095-C (Employer-Provided Health Insurance Offer and Coverage)	7 years		7 years			Mag. Ppr		Department Preference; IRS: 4 years after tax is due or paid; 6 CFR 31.6001-1(e)(2); 60201 et seq.	
Finance / Payroll	FIN-031	DE-6, DE-43, W-3, & DE-166, & 941 Forms - Quarterly Payroll Tax Returns (Federal and State) IRS 5500 Forms (Employee Benefit Plans), PERS / FICA & Medicare Adjustments - Quarterly Payroll Tax Returns / OASDI, Federal Tax Deposits, Adjustments, etc.	7 years		7 years			Mag, Ppr		Department Preference; IRS: 4 years after tax is due or paid (longer for auditing & contractor delinquency); Ca. FTB: 3 years; Published articles show permanent; ; IRS Reg §31.6001-1(e)(2), 26 CFR §1.6001-1, R&T §19530, GC §60201	
Finance / Payroll	FIN-032	Deferred Compensation Plan (457 Plan, 125 Plan)	Plan Termination	10 years	Plan Termination + 10 years	Yes: Before Expiration		Mag, OD, Ppr	S	No	Department preference to be consistent with District-wide standards; EEOC / ADEA (Age) requires 1 year after benefit plan termination; Federal law requires 6 years after filing date; State Law requires 2 years after action; 29 CFR 1627.3(b)(2); 29 USC 1027; GC §§12946, 60201
Finance / Payroll	FIN-033	Deferred Compensation Statements / Transactions	7 years		7 years			Mag, Ppr			Department preference; GC §60201 et seq.
Finance / Payroll	FIN-053	Employee Reimbursement Disclosure Report	7 years		7 years			Mag. Ppr			DGC §§53065.5, 60201 et seq.
Finance / Payroll	FIN-034	Payroll Checks	7 years		7 years			Mag, OD, Ppr	S/I	Yes: After QC & OD	GC §60201(d)(12), CCP § 337
Finance / Payroll	FIN-035	Payroll Reports - Detail Year End (cumulative)	7 years		7 years			Mag, Ppr			Department preference; GC §60201

RECORDS RETENTION SCHEDULE: FINANCE

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>									
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>									
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>									
Finance / Payroll	FIN-036	Payroll Reports - Monthly or Periodic	7 years		7 years		Mag, Ppr		Department preference; GC §60201
Finance / Payroll	FIN-037	Retirement / Pension Records / Actuarial Valuation Reports / Actuarial Valuation Reports, Annual Employer Statements	7 years		7 years	Yes: Until Paid	Mag, Ppr		Department Preference; Statute of Limitations for retirement benefits is 6 years from last action; GC §§12946, 60201; 29 USC 1113
Finance / Payroll	FIN-038	Timesheets	7 years		7 years		Mag, Ppr		Department Preference to meet auditing standards; IRS requires 4 years; Ca. requires 2 yr min.; FTB keeps 3 years; Published articles show 4 -10 years; IRS Reg §31.6001-1(e)(2), R&T §19530; LC § 1174(d); 29 CFR 516.5 & 516.6(c); GC §60201(d)(12)
Finance / Payroll	FIN-039	W-2's	7 years		7 years		Mag, OD, Ppr	S/I	Yes: After QC & OD Department preference; IRS: 4 yrs after tax is due or paid; Ca. FTB: 3 years; Articles show 7 years; IRS Reg §31.6001-1(e)(2), R&T §19530; 29CFR 516.5 - 516.6, 29USC 436, GC §60201(d)(12)
Finance / Payroll	FIN-054	W-4's	No Longer in Effect + 4 years		No Longer in Effect + 4 years		Mag, OD, Ppr	S/I	Yes: After QC & OD IRS Regulation 31-6001-1 four years after the due date of such tax for the return period to which the records relate, or the date such tax is paid, whichever is the later. GC §34090; 26 CFR 31.6001-1GC §60201
UTILITY BILLING / CUSTOMER SERVICE									

RECORDS RETENTION SCHEDULE: FINANCE

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>									
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>									
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>									
Finance / Utility Billing / Customer Service	FIN-040	Bankruptcies - ALL	5 years		5 years		Mag, Ppr		Department preference; GC §60201
Finance / Utility Billing / Customer Service	FIN-041	Billing / Utility Billing / Accounts Receivable Source Records Revenue (ALL Records and Reports, including Adjustments, Billings, Cash, Checks, Closed Accounts, Collections, Credit Memos, Deposits, Miscellaneous Billing, and Payments)	5 years		5 years	Yes: Until Paid	Mag, Ppr		Department Preference; Meets municipal government auditing standards; Published articles show 3 - 7 years; GC §60201
Finance / Utility Billing / Customer Service	FIN-042	Billing Registers / Reports (Billing Ledger and Month End)	5 years		5 years		Mag, Ppr		Department Preference; Meets municipal government auditing standards; Published articles show 3 - 7 years; GC §60201
Finance / Utility Billing / Customer Service	FIN-043	Collection Agency Assignments / Write Offs	7 years		7 years		Mag, Ppr		Department Preference (negative information remains on credit reports for 7 years); GC §60201 et seq.
Finance / Utility Billing / Customer Service	FIN-044	Collection Correspondence	7 years		7 years		Mag, OD, Ppr	S/I	Yes: After QC & OD Department Preference to retain as long as it remains a doubtful account; Meets municipal government auditing standards; GC §60201

RECORDS RETENTION SCHEDULE: FINANCE

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference	
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan		Destroy Paper after Imaged & QC'd?
(OFR)										
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Finance / Utility Billing / Customer Service	FIN-045	Customer Correspondence and Comment Cards	2 years		2 years		Mag, Ppr			District preference; GC §60201
Finance / Utility Billing / Customer Service	FIN-046	Customer Service Requests (CSRs) / Meter Set Forms / Service Orders - Not Entered or Only Partially Entered Into CMMS Database	5 years		5 years		Mag, OD, Ppr	S/I	Yes: After QC & OD	District preference for drinking water regulations; CCP §§338 et seq., 340 et seq., 342, GC §§945.6, GC §60201
Finance / Utility Billing / Customer Service	FIN-047	Deposit Slips (Cash only)	5 years		5 years		Mag, OD, Ppr	S/I	Yes: After QC & OD	Department Preference; Meets municipal government auditing standards; GC §60201
Finance / Utility Billing / Customer Service	FIN-048	Payment Stubs (mailed) / Utility Receipts (when payment is made at the counter)	When No Longer Required		When No Longer Required		Mag, Ppr			Transitory records not retained in the ordinary course of business; GC §60201
Finance / Utility Billing / Customer Service	FIN-049	Residential Water Deposits / Customer Deposits / Customer Refunds	5 years		5 years		Mag, Ppr			District preference for drinking water regulations; CCP §§338 et seq., 340 et seq., 342, GC §§945.6, GC §60201
Finance / Utility Billing / Customer Service	FIN-050	Returned Payments (NSF, etc.) Checks / ACH	5 years		5 years	Yes: Until Paid	Mag, Ppr			Meets municipal government auditing standards; Statewide guidelines propose audit + 4 years; GC §60201

RECORDS RETENTION SCHEDULE: FINANCE

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>									
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>									
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Finance / Utility Billing / Customer Service	FIN-051	Utility Billing Database	Indefinite		Indefinite	Yes	Mag		Data Fields / Records are interrelated; GC §60201

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference	
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?		
(OFR)											
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>											
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>											
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>											
ADMINISTRATION / GENERAL MANAGER											
GM / General Manager	GM-001	Association Records (external associations - e.g., ACWA, CASA, etc.)	When No Longer Required		When No Longer Required			Mag, Ppr		Non-records; GC §60201 et seq.	
GM / General Manager	GM-002	Correspondence with Regulatory Agencies / Environmental Agencies / Regulatory Agencies (EPA, DHS, etc.)	When No Longer Required - Minimum 10 years		When No Longer Required - Minimum 10 years	Yes: While Active Issues		Mag, Ppr		District preference; some correspondence from Regulatory Agencies need to be retained for long periods of time; GC §60201	
GM / General Manager	GM-003	General Manager Correspondence	Minimum 4 years		Minimum 4 years			Mag, Ppr		Administrative value to cover terms of office; GC §60201	
GM / General Manager	GM-004	Operating Permits	Expiration + 2 years	P	P			Mag, Mfr, OD, Ppr	S / I	No	Department preference; GC §60201
GM / General Manager	GM-005	Plans & Plan Audits: Urban Water Management Plans (UWMP), Wastewater / Sewer System Management Plans (SSMP) and Audits, etc.	10 years	P	P	Yes		Mag, Mfr, OD, Ppr	S	Yes: After QC & OD	Department Preference (copies) GC §60201.7
GM / General Manager	GM-006	Projects & Issues (Issues and/or projects will vary over time)	When No Longer Required - Minimum 2 years		When No Longer Required - Minimum 2 years	Yes: While Active Issues		Mag, Ppr			GC §60201
GM / General Manager	GM-007	Vulnerability Assessment	When Superseded - Minimum 2 years		When Superseded - Minimum 2 years			Ppr			Confidential; GC §60201

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference	
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?		
(OFR)											
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>											
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>											
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>											
GM / General Manager	GM-008	Water Forecasts / Urban Water Management Forecast / Future Developments, etc.	5 years		5 years			Mag, Ppr			Department Preference (copies) GC §60200
GM / General Manager	GM-009	Water Quality Reports / Consumer Confidence Reports	12 years	P	P			Mag, Mfr, OD, Ppr	S / I	Yes - After QC & OD	Department preference; State law requires 12 years, federal 10 years; 40 CFR 141.33(a); 22 CCR §64692
GM / General Manager	GM-010	Weekly Letter to the Board / Board updates	4 years		4 years			Mag, Ppr			Administrative value to cover terms of office; GC §60201

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

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			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan		Destroy Paper after Imaged & QC'd?	
(OFR)											
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>											
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>											
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BOARD CLERK											
GM / Board Clerk	GM-011	Affidavits of Postings and Publications	2 years		2 years			Mag, Ppr		Brown Act challenges must be filed within 30 or 90 days of action; Statute of Limitations on Municipal Government actions is 3 - 6 months; Statute of Limitations for mailings for annexations, special districts, bonds is 60 days; CCP §§337 et seq, 349.4; GC §§60201, 54960.1(c)(1)	
GM / Board Clerk	GM-012	Agenda Packets - District Board of Directors, Subcommittees of the Board (Includes Agenda Staff Reports, Annotated Agendas, etc.)	P		P	Yes: Before Meeting Date		Mag, Mfr, OD, Ppr	S	Yes: After QC & OD	Department preference; GC §60201
GM / Board Clerk	GM-013	Agreements - ALL Contracts (Joint Use, JPAs, MOUs, Water Banking, Property Purchasing, etc)	P		P	Yes: Before Completion		Mag, Mfr, OD, Ppr	S	Yes: After Completion	Department Preference; All infrastructure, JPAs, & Mutual Aid contracts are permanent for emergency preparedness; Statute of Limitations is 4 years; 10 years for Errors & Omissions; CCP §§337. 337.1(a), 337.15, 343; GC §60201 et seq.
GM / Board Clerk	GM-014	Agreements for Service / Service Applications from Developers	P		P	Yes: Before Expiration		Mag, Mfr, OD, Ppr	S	Yes: After QC & OD	Department Preference; Statute of Limitations is 4 years; 10 years for Errors & Omissions; CCP §§337. 337.1(a), 337.15, 343; GC §60201 et seq.

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
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<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
GM / Board Clerk	GM-015	Annexations / Detachments	P		P		Mag, Mfr, OD, Ppr	S/I	No	GC § 60201
GM / Board Clerk	GM-016	Audio Tapes & Recordings - District Board meetings	4 years		4 years		Tape (Mag), OD			Department Preference; legally required for 30 days (or adoption of the minutes); GC §54953.5(b)
GM / Board Clerk	GM-017	Bill of Sales / Bond Exoneration (Development, Pipelines, etc.)	P		P		Mag, Mfr, OD, Ppr	S	No	Department preference - infrastructure; GC §60201
GM / Board Clerk & Risk Manage.	GM-018	Claims & Litigation - (except Personnel issues)	Final Disposition + 5 years		Final Disposition + 5 years	Yes: Until Final Disposition	Mag, Ppr			Claim must be filed within 1 year, lawsuit within 2 years; complaints against peace officers within 5 years; Statute of Limitations for contracts is 4 years; wrongful death for construction is completion + 5 years; CCP §§ 337 et seq.; GC §§ 911.2, 945.6, 60201 et seq.
GM / Board Clerk	GM-019	Conflict of Interest Code (Resolution)	P		P		Mag, Mfr, OD, Ppr	S	No	GC §60201
GM / Board Clerk	GM-020	Deeds, Easements, Conveyances, Condemnations and Property Records (property acquisition files, including variances, title insurance and orders of condemnations, conservation easements, etc.)	P		P	Yes (all)	Mag, Mfr, OD, Ppr	S	No	GC §60201(d)(8)

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

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GM / Board Clerk	GM-021	District Formation, Mergers, Boundary Changes, Organization or Reorganizations Approved by the Board	P		P		Mag, Mfr, OD, Ppr	S	Yes: After QC & OD	Part of the Agenda Packet, which is maintained permanently; Required for formal changes to the district approved by the Board only; GC §60201
GM / Board Clerk	GM-022	District Seal, Logo	P		P		Mag, Mfr, OD, Ppr	S	No	Brown Act challenges must be filed within 30 or 90 days of action; GC §§60201, 54960.1(c)(1)
<u>GM / Board Clerk</u>	<u>GM-077</u>	<u>DVD-r / CD-r / Blue Ray-R, WORM,, or other unalterable media that does not permit additions, deletions, or changes</u>	<u>P</u>		<u>P</u>		<u>OD</u>			<u>For legal compliance for Trustworthy Electronic Records (when the electronic record serves as the official record): GC §60200, 12168.7, EVC 1550, CCR 22620 et seq.</u>
BOARD CLERK / ELECTIONS - CONSOLIDATED										
GM / Board Clerk	GM-023	Chronological History of Board Members	P		P		Mag, Ppr			Historical Value; GC §60201
GM / Board Clerk	GM-024	Elections - GENERAL, WORKING or ADMINISTRATION Files (Correspondence, Notices, Postings, Precinct Workers, County Election Services, etc.)	2 years		2 years		Mag, Ppr			Used for a model for the next election, GC §60201
GM / Board Clerk	GM-025	Elections - HISTORICAL File (Sample ballot, copies of all Resolutions (calling the election, canvass, etc.), election summary)	8 years	P	P		Mag, Mfr, OD, Ppr	S	No	Retained for Historical Value, GC §60201

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
GM / Board Clerk	GM-026	Elections - Petitions (Initiative, Recall or Referendum)	Results or Final Examination if No Election + 8 months		Results or Final Examination if No Election + 8 months		Ppr			Not accessible to the public; The 8 month retention applies after election results, or final examination if no election. Applies unless a legal/FPPC proceeding. EC §§17200, 17400
(End of Elections Section)										
GM / Board Clerk	GM-027	Ethics Training Certificates for Board Members and Others	5 years		5 years		Mag, Ppr			GC §53235.2(b)
GM / Board Clerk	GM-028	FPPC 700 Series Forms (Statement of Economic Interests): DESIGNATED EMPLOYEES & CONSULTANTS (specified in the District's Conflict of Interest code)	7 years		7 years		Mag, Mfr, OD, Ppr	S	Yes: After 2 years	District maintains original statements; GC §81009(e)(g)
GM / Board Clerk	GM-029	FPPC 700 Series Forms (Statement of Economic Interests): PUBLIC OFFICIALS (elected & not elected. Includes District Board Members, General Manager, Assistant General Manager, Treasury Manager, Treasurer & Assistant Treasurer)	7 years		7 years		Mfr, OD, Ppr	S	Yes: After 2 years	District maintains copies only; original statements are filed with County, GC §81009(f)(g)
GM / Board Clerk	GM-030	FPPC Form 801 (Gift to Agency Report)	<u>7</u> 4 years		<u>7</u> 4-years		Mag, Ppr			Must post on website; 2 CCR 18944(c)(3)(G); GC §81009€ ; GC §60201
GM / Board Clerk	GM-031	FPPC Form 802 (Tickets Provided by Agency Report)	7 years		7 years		Mag, Ppr			Must post on website for 4 years; GC §81009; GC §60201

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record (OFR)	Retention No.	Records Description	Retention / Disposition						Comments / Reference	
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan		Destroy Paper after Imaged & QC'd?
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
GM / Board Clerk	GM-032	FPPC Form 803 (Behested Payment Report)	7 years		7 years		Mag, Ppr		GC §81009; GC §60201	
GM / Board Clerk	GM-033	FPPC Form 804 (Agency Report of New Positions)	<u>P 2 years</u>		<u>P 2 years</u>		Mag, Ppr		FPPC Regulation 18734(c); GC §81009e ; GC §60201	
GM / Board Clerk	GM-034	FPPC Form 805 (Agency Report of Consultants)	<u>P 2 years</u>		<u>P 2 years</u>		Mag, Ppr		FPPC Regulation 18734(c); GC §81009e ; GC §60201	
GM / Board Clerk	GM-035	FPPC Form 806 (Agency Report of Public Official Appointments)	<u>7 2 years</u>		<u>7 2 years</u>		Mag, Ppr		Must post on website; 22 CCR 18702.5(b)(3) ; GC §60201, §81009(e)	
GM / Board Clerk	GM-036	Historical Records	P		P		Mag, Mfr, OD, Ppr	S	No	District Clerk Determines Historical Significance; GC §60201
GM / Board Clerk	GM-037	Improvement Districts / Assessment Districts: Boundary Maps, Diagrams, District Folders	P		P	Yes: Before Termination	Mag, Mfr, OD, Ppr	S	Yes: After QC & OD	Department Preference; GC §60201
GM / Board Clerk	GM-038	Local Area Formation Commission (LAFCO)	When No Longer Required		When No Longer Required		Mag, Ppr			Department Preference; GC §60201
GM / Board Clerk	GM-039	Minutes: District Board of Directors and Standing Committees and Subcommittees, any advisory board	P		P	Yes (all)	Mag, Mfr, OD, Ppr	S	No	GC §60201(d)(3)
GM / Board Clerk	GM-040	Ordinances	P		P	Yes (all)	Mag, Mfr, OD, Ppr	S	No	GC §60201 et. seq.
GM / Board Clerk	GM-041	Permits - Regulatory Agencies	P		P		Mag, Ppr			GC § 60201
GM / Board Clerk	GM-042	Prop. 218 Fees & Charges: Ballots and/or protest letters	2 years		2 years		Ppr			GC §53753(e)(2)

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference		
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GM / Board Clerk	GM-043	Prop. 218 Fees & Charges: Master Mailing List	2 years		2 years			Ppr		GC §60201	
GM / Board Clerk	GM-044	Prop. 218 Fees & Charges: Undeliverable Mail	3 months		3 months			Ppr		Transitory records not retained in the ordinary course of business; GC §60201	
GM / Board Clerk	GM-045	Public Records Act Requests / Subpoenas	2 years		2 years			Mag, Ppr		GC §60201	
GM / Board Clerk	GM-046	Records Retention Schedules / Authorization for Amendments to Retention Schedules (Resolutions)	10 years	P	P			Mag, Mfr, OD, Ppr	S	Yes: After QC & OD	GC §60201 et. seq.
GM / Board Clerk	GM-047	Records Destruction Authorization Forms / Authorization to Destroy Paper to Rely on the Image as the Original	10 years	P	P			Mag, Mfr, OD, Ppr	S	Yes: After QC & OD	GC §60201 et. seq.
GM / Board Clerk	GM-048	Resolutions	P		P	Yes (all)		Mag, Mfr, OD, Ppr	S	No	GC §60201 et. seq.
GM / Board Clerk	GM-049	Subject Matter Files	Minimum 2 years		Minimum 2 years	Yes: While Active Issues		Mag, Ppr			GC §60201
GM / Board Clerk	GM-050	Subpoenas	2 years		2 years			Mag, Ppr			GC §60201
GM / Board Clerk	GM-051	Vehicle Titles ("Pink Slips")	Upon Sale		Upon Sale			Ppr			Department Preference; GC §60201
ENGINEERING - PLANNING & DESIGN & CONSTRUCTION											

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
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GM / Engineering	GM-052	Annexations / Boundary Changes / Detachments Index, Maps, Documents	Upon Completion	P	P	Yes	Mag, OD, Ppr	S	Yes: After QC & OD	GC §60201 et seq.
GM / Engineering	GM-053	CCTV Inspection Tapes / Video Inspections / Video Tapes or Digital Recordings - Jobs / Project Inspections (all lines)	10 years		10 years		OD			Department preference; Statute of Limitations for written contracts are four years from the date of breach; errors and omissions is 10 years; Death during construction is 10 years; CCP §§337., 337.1(a), 337.15 GC §60201
GM / Engineering	GM-054	CEQA / NEPA Documents: Prepared by others for NON-District Projects (District comments) (Environmental Impact Reports (EIRs), Environmental Assessments, Negative Declarations, etc)	When No Longer Required		When No Longer Required	Yes: Until Project Completed	Mag, OD, Ppr	S / I	Yes: After QC & OD	District Preference; GC §60200
GM / Engineering	GM-055	CEQA / NEPA Documents: Prepared for District Projects (Environmental Impact Reports (EIRs), Environmental Assessments, Negative Declarations, etc)	P		P	Yes: Until Project Completed	Mag, OD, Ppr	S / I	Yes: After QC & OD	Usually filed in Project File; GC §60201

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
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GM / Engineering	GM-056	Connection Permits / Repair Permits / Single Water Connection Permits / Single Sewer Connection Permits	P		P	Yes	Mag, OD, Ppr	S	Yes: After QC & OD	Department Preference; GC §60201 et seq.
GM / Engineering	GM-057	Encroachment Permits issued by outside agencies (e.g. for District construction)	Expiration of Permit + 4 years		Expiration of Permit + 4 years		Mag, OD, Ppr	S / I	Yes: 2 years	Covers Statute of Limitations for written contracts; CCP §§336(a), 337 et. seq., GC §60201
GM / Engineering	GM-058	Job Files / Engineering Project Files / CIP (Capital Improvement Project) Files - Administration File: Project Administration, Advertising, Certified Payrolls, Complaints (project-related), Cost of Construction, Fee & Deposit Reimbursements, Insurance Certificates from Contractors, Labor Compliance, Logs, Performance Bonds/Surety, Project Security files, Project Schedules, Punch Lists, Real Estate Appraisals, etc.	Upon Completion	10 years or After Funding Agency Audit, if required, whichever is longer	Completion + 10 years or After Funding Agency Audit, if required, whichever is longer	Yes: Until Completed	Mag, Ppr			Statute of Limitations for written contracts are four years from the date of breach; errors and omissions is 10 years; Death during construction is 10 years; CCP §§337., 337.1(a), 337.15 GC §60201, Contractor has retention requirements in 48 CFR 4.703

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
(OFR)										
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
GM / Engineering	GM-059	Job Files / Engineering Project Files / CIP (Capital Improvement Project) Files - Permanent File - Large Format Drawings Design Drawings (finals), Record Drawings ("As Builts")	Upon Completion	P	P	Yes: ALL	Mag, OD, Ppr	S	Yes: After QC & OD	For Disaster Recovery Purposes; Final environmental determinations are required to be kept a "reasonable period of time"; 14 CCR §15095(c); GC §60201 et seq.

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
GM / Engineering	GM-060	Job Files / Engineering Project Files / CIP (Capital Improvement Project) Files - Permanent File: Specifications, RFIs/RFPs, Change Orders, Construction Photos, Correspondence, Close-Out/Acceptance, Declarations of Restrictive Covenants (DORCs), Deeds, Easements, Encroachment Permits, Field Inspection Reports, Materials Testing Reports, Bills of Material / Substitutions Environmental Documents, Notice of Completion, Regulatory Agency Approvals, Right of Way, Shop Drawings, Soils Reports, Structural Calculations, Surveys, Permanent Encroachment Permits, Rights-of-Ways, Submittals, Materials Submittals, SAMPs, SWPPP, Variances, etc.	Upon Completion	P	P	Yes: Until Completed	Mag, OD, Ppr	S	Yes: After QC & OD	For disaster preparedness purposes; GC §60201 et seq.
GM / Engineering	GM-061	Land Surveys / Survey books	P		P	Yes	Mag, OD, Ppr	S	Yes: After QC & OD	Department preference; GC §60201 et seq.

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
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<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
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GM / Engineering	GM-062	Master Plans			P	Yes	Mag, OD, Ppr	S	Yes: After QC & OD	Department preference; GC §60201 et seq.
GM / Engineering	GM-063	Permits	Expiration + 2 years		Expiration + 2 years	Yes: Until Expired	Mag, OD, Ppr	S	No	Department preference; GC §60201
GM / Engineering	GM-064	Private Development: Subdivisions / Tract Files - Administrative File Correspondence, Fee Calculations, Inspection Reports, Incidents, Project Schedules etc.	Completion + 10 years		Completion + 10 years	Yes	Mag, OD, Ppr	S	Yes: After QC & OD	Statute of Limitations for written contracts are four years from the date of breach; errors and omissions is 10 years; Death during construction is 10 years; CCP §§337., 337.1(a), 337.15 GC §60201, Contractor has retention requirements in 48 CFR 4.703
GM / Engineering	GM-065	Private Development: Subdivisions / Tract Files - Permanent File Agreements, Easements, Final Drawings, Materials Testing Reports, Rights of Way, Rights of Entry, Studies & Reports (Hydrology, Geotechnical, etc.)	P		P	Yes	Mag, OD, Ppr	S	Yes: After QC & OD	Department preference; GC §60201

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

Office of Record (OFR)	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
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GM / Engineering	GM-066	Real Estate Appraisals	5 years	P	P		Mag, Ppr			Department preference; USPAP (Uniform Standards of Professional Appraisal Practice) ethical standards require appraisers to retain records for at least 5 years, or final disposition + 2 years, if used in a judicial proceeding; GC §60201
GM / Engineering	GM-067	Sewer Improvement Districts / Assessment Districts	P		P	Yes	Mag, OD, Ppr	S	Yes: After QC & OD	GC §60201 et seq.
GM / Engineering	GM-068	Survey Books & Notes	P		P	Yes	Mag, OD, Ppr	S	Yes: After QC & OD	Department Preference; GC §60201 et seq.
GM / Engineering	GM-069	Trunk Lines	P		P	Yes	Mag, OD, Ppr	S	Yes: After QC & OD	Department Preference; GC §60201 et seq.
GM / Engineering	GM-070	Underground Service Alerts (USAs)	3 years		3 years		Mag, Ppr			Department Preference (required for 3 years); the warrantee period for work done is usually 5 years, the Statute of Limitations for some work may be up to 10 years; CCP §337 et seq., GC §§4216.2(d) & 4216.3(d), 60201

RECORDS RETENTION SCHEDULE: GENERAL MANAGER, IT & BOARD CLERK

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(OFR)										
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INFORMATION TECHNOLOGY										
GM / IT	GM-071	Backups - Daily	When No Longer Required		When No Longer Required	Yes	Mag.			Used for Disaster Recovery Purposes Only; Considered a copy and can be destroyed when no longer required; GC §60200 et seq.
GM / IT	GM-072	Backups - Weekly		When No Longer Required	When No Longer Required	Yes	Mag.			STORE OFF-SITE. Used for Disaster Recovery Purposes Only; Considered a copy and can be destroyed when no longer required; stored off-site; GC §60200 et seq.
GM / IT	GM-073	Geographic Information System (GIS)	Indefinite		Indefinite	Yes	Mag			Data is interrelated; GC §60200, 60201 et seq.
GM / IT	GM-074	Network Configuration Maps & Plans	When No Longer Required		When No Longer Required	Yes	Mag.			Preliminary documents not retained in the ordinary course of business; GC §60201 et seq.
GM / IT	GM-075	Software Licenses, Warrantees, Installation Media	When No Longer Required		When No Longer Required		Mag.			Department preference; GC §60201 et seq.
GM / IT	GM-076	WORM / DVD-r / CD-r / Blue Ray-R or other unalterable media that does not permit additions, deletions, or changes		P	P		OD			For legal compliance for Trustworthy Electronic Records (when the electronic record serves as the official record); GC 60200, 12168.7, EVC 1550, 2 CCR 22620 et seq..

RECORDS RETENTION SCHEDULE: HUMAN RESOURCES

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
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HUMAN RESOURCES										
Human Resources	HR-001	Accident / Incident / Injury / Damage Reports: Employees that Declined Medical Attention (See Workers Compensation for others)	2 years		2 years			Mag, Ppr		GC §§12946, 60201
Human Resources	HR-002	Affirmative Action Complaints - Department of Fair Employment & Housing (DFEH) or Equal Opportunity Commission (EEOC)	Separation + 3 years		Separation + 3 years			Mag, Ppr		Department preference (same as the Personnel File); All State and Federal laws require retention until final disposition of formal complaint; State requires 2 years after action is taken; 2 CCR 11013(c) ; GC §§12946, 60201
Human Resources	HR-003	Applications for Employment or Resumes / Recruitment Files: Solicited: Brochure, advertisement, unsuccessful applications, (with or without interviews), selection materials, interview notes, results, etc.	3 years		3 years			Mag, Ppr		Department preference; EEOC / FLSA / ADEA (Age) requires 1-3 years; State Law requires 2 - 3 years; 29 CFR 1627.3(b)(i), 29 CFR 1602.14 et seq; 2 CCR 11013(c) , 7287-0(e)(2) ; GC §§12946, 60201
Human Resources	HR-004	Billing: COBRA and Retiree Medical	Termination of Service + 7 years		Termination of Service + 7 years	Yes: During Service		Mag, OD, Ppr	S / I	Yes: After 1 year Retained to cover auditing standards; General rule under ERISA (Employee Retirement Income Security Act) is 7 years; 29 CFR 1627.3(b)(2); 29 USC 1027; GC §60201
Human Resources	HR-005	Classification and Compensation Studies / Surveys	When No Longer Required		When No Longer Required			Mag, Ppr		Department Preference; GC §60201

RECORDS RETENTION SCHEDULE: HUMAN RESOURCES

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Human Resources	HR-006	DMV Pull Notices	When Superseded		When Superseded					District preference (DMV record that the District considers a non-record used for reference); DMV audits every 2 years; Bureau of National Affairs recommends 2 years for all supplementary Personnel records; GC §60201
Human Resources	HR-007	Drug and Alcohol Testing / D.O.T files (ALL Files - Random, Post-Accident & Reasonable Suspicion Tests, refusals, annual summaries, etc.)	2 years	3 years	5 years				Ppr	Department preference; D.O.T. Requires 5 years for positive tests, refusals, annual summaries, etc, 1 year for negative tests; EEOC / FLSA / ADEA (Age) requires 3 years physical examinations; State Law requires 2 years; 229 CFR 1627.3(b)(1)(v), GC §§12946, 60201, 49 CFR 655.71 et seq. ; 49 CFR 382.401 et seq. 49 CFR 653.71
Human Resources	HR-008	Employee Investigations	When No Longer Required - Minimum 3 years		When No Longer Required - Minimum 3 years				Mag, Ppr	Department preference; EEOC / FLSA / ADEA (Age) statute of limitations is 1-3 years; State Law requires 2 years; Reports & Data used to compile EEO reports are required for 3 years; 29 CFR 1602 et seq & 1627.3(a)(5) and (6), 2 CCR 11013(c) , 7287 et seq. , 8 CCR §11040.7(c), GC §§12946, 60201

RECORDS RETENTION SCHEDULE: HUMAN RESOURCES

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Human Resources	HR-009	I-9s	Separation + 3 years		Separation + 3 years	Yes: Until Separation	Mag, OD, Ppr	S	Yes: When Inactive	Non-citizens must re-certify periodically; RICA recommends 1 year from termination or 3 years from hiring, whichever is later; EEOC / FLSA / ADEA (Age) requires 3 years for "any other forms of employment inquiry"; State Law requires 2 -3 years; INA 274A(b)(3); INS Rule 274a.1(b)(2); 8 CFR 274a.2; 29 CFR 1627.3(b)(i); GC §§12946, 34090
Human Resources	HR-010	Insurance Policies - Employee Benefit Policies (Benefits: Health, Eye, Dental, Life Insurance, Long Term Disability, State Disability, Unemployment Insurance, Workers Compensation Policy, etc)	Plan Termination	10 years	Plan Termination + 10 years	Yes: Before Expiration	Mag, OD, Ppr	S	No	Department preference to be consistent with District-wide standards; EEOC / ADEA (Age) requires 1 year after benefit plan termination; Federal law requires 6 years after filing date; State Law requires 2 years after action; 29 CFR 1627.3(b)(2); 29 USC 1027; GC §§12946, 60201
Human Resources	HR-011	Job Descriptions	Superseded + 3 years		Superseded + 3 years	Yes: Before Superseded	Mag, Ppr			Department Preference; GC §60201

RECORDS RETENTION SCHEDULE: HUMAN RESOURCES

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(OFR)										
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Human Resources	HR-012	Personnel Files - General (Includes Application, Awards, DMV Reports, Disciplinary Actions, Certifications, Commendations, Disaster Service Workers Oaths , Employment Verifications, Evaluations, Grievances, Licenses, Personnel Action Forms, Policy acknowledgements, Waiver of responsibility for voluntary activities, etc. - Excludes Medical Records)	Separation + 6 years		Separation + 6 years	Yes: Until Separation	Mag, OD, Ppr	S	Yes: After Separation	Department Preference; statute of limitations for retirement benefits is 6 years from last action; EEOC/FLSA/ADEA (Age) requires 3 years for promotion, demotion, transfer, selection, or discharge; State Law requires 2 -3 years; 29 CFR 1602.31 & 1627.3(b)(ii); 29 CFR 1602.14 ; GC §§12946, 60201; 29 USC 1113; GC §3105
Human Resources	HR-013	Personnel Files - Medical (Includes pre-employment physicals, hazmat exposure records, hearing tests, pulmonary tests, Class B medicals, and backgrounds & fingerprint clearances)	Separation + 30 years		Separation + 30 years	Yes: Until Separation	Mag, OD, Ppr	S	Yes: When Inactive	Department preference; Files maintained separately; Claims can be made for 30 years for toxic substance exposure; 8 CCR §3204(d)(1) et seq., 29 CFR 1910.1020(d)(1)(i), 29 CFR 1602.14 ; GC §§12946, 60201
Human Resources	HR-014	Workers Compensation Files ALL	Separation + 5 years	25 years <u>or</u> Termination of Benefits, whichever is longer	Separation + 30 years <u>or</u> Termination of Benefits, whichever is longer		Mag, OD, Ppr	S	Yes: When Inactive	Department preference; Claims can be made for 30 years for toxic substance exposure; 8 CCR 10102; 8 CCR 15400.2, 8 CCR §3204(d)(1) et seq., 29 CFR 1910.1020, GC §§12946, 60201, CCP §337 et seq.

RECORDS RETENTION SCHEDULE: HUMAN RESOURCES

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
(OFR)										
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
RISK MANAGEMENT										
Human Resources / Risk Manage.	HR-015	Claims	Final Resolution	5 years	Final Resolution + 5 years	Yes: Until Resolution	Mag, OD, Ppr	S	Yes: After 5 years	Department Preference; Covers various statute of limitations; CCP §§ 337 et seq.; GC §§ 911.2, 945.6, 60201, 60201.6; PC §832.5
Human Resources / Risk Manage.	HR-016	Facility Inspections	2 years		2 years		Mag, Ppr			GC §60201
Human Resources / Risk Manage.	HR-017	Insurance Policies (Property and Liability)			2 years		Mag, Ppr			GC §60201
Human Resources / Risk Manage.	HR-018	Insurance Certificates from Other Agencies/Organizations Submitted as Proof of Coverage for Facility Use			2 years		Mag, Ppr			GC §60201
Human Resources / Risk Manage.	HR-019	Lawsuits / Litigation	Final Resolution	5 years	Final Resolution + 5 years	Yes: Until Resolution	Mag, OD, Ppr	S	Yes: After 5 years	Department Preference; Covers various statute of limitations; CCP §§ 337 et seq.; GC §§ 911.2, 945.6, 60201, 60201.6; PC §832.5
SAFETY										
Human Resources / Safety	HR-020	Cal-OSHA Inspections & Citations, Log 200, 300, 300A, 301, etc.	7 years		7 years		Ppr			Department Preference; Calif. Labor Division is required to keep their records 7 years; OSHA requires 5 years; State law requires 2 years; OMB 1220-0029 , 8 CCR 14300.33(a); 29 CFR 1904.33, 29 CFR 1904.44; GC §60201 et seq.; LC §6429c

RECORDS RETENTION SCHEDULE: HUMAN RESOURCES

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Human Resources / Safety	HR-021	Emergency Exercises / Drills / After Action Reports	When No Longer Required		When No Longer Required	Yes: Until Superseded	Mag, OD, Ppr	S / I	Yes: 2 years	Department Preference; GC §60201
Human Resources / Safety	HR-022	Emergency Response Plan	When No Longer Required		When No Longer Required	Yes: Until Superseded	Mag, OD, Ppr	S / I	Yes: 2 years	Department Preference; GC §60201
Human Resources / Safety	HR-023	Illness and Injury Prevention Program	Minimum of Superseded + 2 years		Minimum of Superseded + 2 years		Mag, OD, Ppr	S / I	Yes: When Superseded	Consistent with District-wide standards; GC §60201
Human Resources / Safety	HR-024	Loss Runs	When No Longer Required - Minimum 10 years		When No Longer Required - Minimum 10 years		Mag, Ppr			Department Preference (actuary wants 10 years of data); GC §60201 et seq.
Human Resources / Safety	HR-025	Safety Committee / Safety Steering Committee	5 years		5 years		Mag, Ppr			Department preference; GC §60201 et seq.

RECORDS RETENTION SCHEDULE: PARKS & RECREATION

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference
			Active (in office)	Inactive (Records Center)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>									
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>									
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Parks & Recreation	P&R-001	Accident / Incident / First Aid / Mishap Reports - Public (Minor injuries - bandages, scratches, etc)	2 years		2 years		Mag, Ppr		GC §60201
Parks & Recreation	P&R-002	Activity / Special Programs / Special Event Files Children's Programs, Cultural Arts, Sports, Seniors, Filming, Theatre Programs etc.	When No Longer Required - Minimum 2 years		When No Longer Required - Minimum 2 years		Mag, Ppr		Department preference; GC §60201
Parks & Recreation	P&R-003	Art Loan Agreements / Display Agreements / Waiver of Liability	Completion + 1 year		Completion + 1 year		Mag, Mfr, OD, Ppr		Department preference; GC §60201
Parks & Recreation	P&R-004	Check In List / Sign In Lists	When No Longer Required		When No Longer Required		Mag, Ppr		Department Preference (Transitory record not retained in the ordinary course of business); GC §60201
Parks & Recreation	P&R-005	Community Center Committee AGENDAS, AGENDA PACKETS.	Minimum 2 years		Minimum 2 years		Mag, Ppr		Brown Act challenges must be filed within 30 or 90 days of action; GC §§60201, 54960.1(c)(1)
Parks & Recreation	P&R-006	Community Center Committee MINUTES & BYLAWS	P		P	Yes	Mag, Mfr, OD, Ppr	S	Yes: After 10 years Notes taken to facilitate the writing of the minutes can be destroyed after minutes have been adopted; GC §60201 et seq.
Parks & Recreation	P&R-007	Contracts: Class Instructors Includes Insurance Certificates and Administration Records	Completion	5 years	Completion + 5 years	Yes: Before Completion	Mag, Mfr, OD, Ppr	S/I	Yes: Upon Completion Department preference; Statute of Limitations: Contracts & Spec's=4 years; CCP §337 et. seq., GC §60201
Parks & Recreation	P&R-008	Environmental Monitoring	Completion + 2 years		Completion + 2 years		Mag, Ppr		Department preference; GC §60201

RECORDS RETENTION SCHEDULE: PARKS & RECREATION

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(OFR)									
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<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>									
Parks & Recreation	P&R-009	Evaluations / Surveys (Program Evaluations)	When No Longer Required		When No Longer Required		Mag, Ppr		Department Preference (Transitory record not retained in the ordinary course of business); GC §60201
Parks & Recreation	P&R-010	Facility Use Rental Contracts / Field Use Contracts	2 years		2 years	Yes: Before Event	Mag, Ppr		Department preference; GC §60201
Lead Dept.	P&R-011	Grants (UNSUCCESSFUL Applications, Correspondence)	2 years		2 years		Mag, Ppr		GC §60201
Lead Dept.	P&R-012	Grants / CDBG / Reimbursable Claims (SUCCESSFUL Reports, other records required to pass the funding agency's audit, if required) Applications (successful), grant agreement, program rules, regulations & procedures, reports to grant funding agencies, correspondence, audit records, completion records	2 years	After Funding Agency Audit, if Required - Minimum 5 years	After Funding Agency Audit, if required - Minimum 5 years		Mag, Ppr		District Preference (may include records pertaining to independent contractor's compensation, or expense reimbursement); Meets auditing standards; Uniform Admin. Requirements for Grants to Local Governments is 3 years from expenditure report or final payment of grantee or subgrantee; 21 CFR 1403.36 & 1403.42(b); 24 CFR 85.42, 91.105(h), 92.505, & 570.502(b); 28 CFR 66.42; 29 CFR 97.42; 40 CFR 31.42; 44 CFR 13.42; 45 CFR 92.42; OMB Circular A-133; GC §60201

RECORDS RETENTION SCHEDULE: PARKS & RECREATION

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference
			Active (in office)	Inactive (Records Center)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	
(OFR)									
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Parks & Recreation	P&R-013	Landscape CIP Projects (Capital Improvement Project) Files - Administration File: Project Administration, Advertising, Certified Payrolls, Complaints (project-related), Cost of Construction, Fee & Deposit Reimbursements, Insurance Certificates from Contractors, Labor Compliance, Logs, Performance Bonds/Surety, Project Security files, Project Schedules, Punch Lists, Real Estate Appraisals, etc.	Upon Completion	10 years or After Funding Agency Audit, if required, whichever is longer	Completion + 10 years or After Funding Agency Audit, if required, whichever is longer	Yes: Until Completed	Mag, Ppr		Statute of Limitations for written contracts are four years from the date of breach; errors and omissions is 10 years; Death during construction is 10 years; CCP §§337., 337.1(a), 337.15 GC §60201, Contractor has retention requirements in 48 CFR 4.703
Parks & Recreation	P&R-014	Landscape CIP Projects (Capital Improvement Project) Files - Landscape Plans / Irrigation Plans (Large Format Drawings) Design Drawings (finals), Record Drawings ("As Builts")	Upon Completion	P	P	Yes: ALL	Mag, OD, Ppr	S	Yes: After QC & OD For Disaster Recovery Purposes; Final environmental determinations are required to be kept a "reasonable period of time"; 14 CCR §15095(c); GC §60201 et seq.

RECORDS RETENTION SCHEDULE: PARKS & RECREATION

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference		
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<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>											
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>											
Parks & Recreation	P&R-015	Landscape CIP Projects (Capital Improvement Project) Files - Permanent File: Specifications, RFIs/RFPs, Change Orders, Construction Photos, Correspondence, Close-Out/Acceptance, Declarations of Restrictive Covenants (DORCs), Deeds, Easements, Encroachment Permits, Field Inspection Reports, Materials Testing Reports, Bills of Material / Substitutions Environmental Documents, Notice of Completion, Regulatory Agency Approvals, Right of Way, Shop Drawings, Soils Reports, Structural Calculations, Surveys, Permanent Encroachment Permits, Rights-of-Ways, Submittals, Materials Submittals, SAMPs, SWPPP, Variances, etc.	Upon Completion	P	P		Yes: Until Completed	Mag, OD, Ppr	S	Yes: After QC & OD	For disaster preparedness purposes; GC §60201 et seq.
Parks & Recreation	P&R-016	Landscape Committee AGENDAS, AGENDA PACKETS.	Minimum 2 years		Minimum 2 years			Mag, Ppr			Brown Act challenges must be filed within 30 or 90 days of action; GC §§60201, 54960.1(c)(1)
Parks & Recreation	P&R-017	Landscape Committee MINUTES & BYLAWS	P		P		Yes	Mag, Mfr, OD, Ppr	S	Yes: After 10 years	Notes taken to facilitate the writing of the minutes can be destroyed after minutes have been adopted; GC §60201 et seq.

RECORDS RETENTION SCHEDULE: PARKS & RECREATION

Office of Record	Retention No.	Records Description	Retention / Disposition					Comments / Reference		
			Active (in office)	Inactive (Records Center)	Total Retention	Vital?	Media Options		Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?
Lead Dept.	P&R-018	Material Safety Data Sheet (MSDS) / Safety Data Sheet (SDS) / Chemical Use Report Form (or records of the chemical / substance / agent, where & when it was used)	While Chemical In Use	30 years	30 years		Mag, Mfr, OD, Ppr	S	Yes (after inactive)	Previous MSDS may be obtained from a service; MSDS may be destroyed as long as a record of the chemical / substance / agent, where & when it was used is maintained for 30 years; Applies to qualified employers; Claims can be made for 30 years for toxic substance exposures; 8 CCR 3204(d)(1)(B)(2 and 3), 29 CFR 1910.1020(d)(1)(i), GC §60201
Parks & Recreation	P&R-019	Parks & Recreation Commission AGENDAS, AGENDA PACKETS.	Minimum 2 years		Minimum 2 years		Mag, Ppr			Brown Act challenges must be filed within 30 or 90 days of action; GC §§60201, 54960.1(c)(1)
Parks & Recreation	P&R-020	Parks & Recreation Commission MINUTES & BYLAWS	P		P	Yes	Mag, Mfr, OD, Ppr	S	Yes: After 10 years	Notes taken to facilitate the writing of the minutes can be destroyed after minutes have been adopted; GC §60201 et seq.
Parks & Recreation	P&R-021	Pesticide Application	2 years		2 years		Mag, Ppr			Department Preference (agricultural pesticide records are required for 2 years); GC §60201; 3 CCR 6623, 40 CFR 171.11 et seq.
Parks & Recreation	P&R-022	Playground Inspections	2 years		2 years		Mag, Ppr			Department preference; GC §60201
Parks & Recreation	P&R-023	Recreation Database	Indefinite		Indefinite		Mag			Department Preference; data is interrelated; GC §60201

If the record is not listed here, refer to the Retention for District-Wide Standards.

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Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).

RECORDS RETENTION SCHEDULE: PARKS & RECREATION

Office of Record	Retention No.	Records Description	Retention / Disposition					Comments / Reference		
			Active (in office)	Inactive (Records Center)	Total Retention	Vital?	Media Options		Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?
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<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Parks & Recreation	P&R-024	Registration Forms / Reservation Forms / Application Forms / Fee & Charge / Liability Forms / Release of Liability Forms / Permissions / etc.: Camps, Field Trips, Authorization to give Medicine, etc.	2 years		2 years			Ppr		GC §60201
Parks & Recreation	P&R-025	Sign-in / Sign-out sheets (Day camp, etc.)	When No Longer Required		When No Longer Required			Mag, Ppr		Department Preference (Transitory record not retained in the ordinary course of business); GC §60201
Parks & Recreation	P&R-026	Special Events & Programs	When No Longer Required - Minimum 2 years		When No Longer Required - Minimum 2 years			Mag, Ppr		Department preference; GC §60201
Parks & Recreation	P&R-027	Swimming Pool Chemical Addition Logs / Records	2 years	28 years	30 years			Mag, Ppr		Department preference; 8 CCR §3204(d)(1) et seq., 29 CFR 1910.1020(d)(1)(i), GC §
Parks & Recreation	P&R-028	Swimming Pool Inspections / Health Inspections	2 years		2 years			Mag, Ppr		Department preference; GC §60201
Parks & Recreation	P&R-029	Waivers of Liability	2 years		2 years			Mag, Ppr		GC §60201

RECORDS RETENTION SCHEDULE: WATER & WASTEWATER

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference	
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan		Destroy Paper after Imaged & QC'd?
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WASTEWATER										
Wastewater	W-001	CCTV Collection Line Inspection Tapes / Video Inspections / Video Tapes or Digital Recordings	P		P			Mag		Department Preference; GC §60201 et seq.
Wastewater	W-043	Confined Space Entries	2 years		2 years	-		Mag, Ppr		8 CCR 5157(d)(14) & (e)(6); 29 CFR 1919.146(e)(6) GC §60201
Wastewater	W-002	Complaints	Minimum 2 years		Minimum 2 years			Mag, Ppr		Department Preference; GC §60201
Finance	W-003	Invoices for Water Line Repairs	7 years		7 years			Mag, Ppr		Department Preference; GC §6020o et seq.
Wastewater	W-047	Generator Logs / Generator Operation Logs (for fixed / stationary generators)	3 2 years		3 2-years	-		Mag, Ppr		AQMD Rule 1470; GC §60201
Wastewater	W-048	Generator Logs / Generator Operation Logs (for portable / Emergency generators)	5 years		5 years	-		Mag, Ppr		AQMD Rule 1470; Form 400-E-13a instructions, GC §60201
Wastewater	W-004	Lift Station - Inspections, Maintenance, Repairs, Service Requests, Alarm Recording, Logs, Charts, Flow Monitoring, Voltage Readings, Permits	Minimum 20 years		Minimum 20 years			Mag, Ppr		Department Policy; WC §13263.2(b) et seq.; 40 CFR 122.41(j)(2)GC §60201
Wastewater	W-005	Maintenance, Cleaning, Repairs, Stoppage Calls, Spills, Line Replacement	10 years		10 years			Mag, Ppr		Department Policy; WC §13263.2(b) et seq.; 40 CFR 122.41(j)(2)GC §60201

RECORDS RETENTION SCHEDULE: WATER & WASTEWATER

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Lead Dept.	W-006	Material Safety Data Sheet (MSDS) / Safety Data Sheet (SDS) / Chemical Use Report Form (or records of the chemical / substance / agent, where & when it was used)	While Chemical In Use	30 years	30 years			Mag, Mfr, OD, Ppr	S	Yes (after inactive)	Previous MSDS may be obtained from a service; MSDS may be destroyed as long as a record of the chemical / substance / agent, where & when it was used is maintained for 30 years; Applies to qualified employers; Claims can be made for 30 years for toxic substance exposures; 8 CCR 3204(d)(1)(B)(2 and 3), 29 CFR 1910.1020(d)(1)(i), GC §60201
Wastewater	W-045	NPDES Permit	Superseded + 3 years		Superseded + 3 years			Mag, Ppr			Department Preference; 40 CFR 122.41(j)(2); 40 CFR 122.41(j)(2) & 40 CFR 141.33(b)
Wastewater	W-046	NPDES Permit Complaints	3 years		3 years			Mag, Ppr			Department Preference; 40 CFR 122.41(j)(2); 40 CFR 122.41(j)(2) & 40 CFR 141.33(b)
Lead Dept.	W-007	Operations & Maintenance Manuals / O & M Manuals	Disposal of Equipment		Disposal of Equipment			Mag, Mfr, OD, Ppr	S / I	No	Department preference; GC §60201
Wastewater	W-008	Operator Log Books / Treatment Plant Log Books	20 years		20 years			Mag, Ppr			Department Preference; 5 years for sewage sludge and removal; 3 years for NPDES; 40 CFR 122.41(j)(2); 40 CFR 122.41(j)(2) & 40 CFR 141.33(b)
Wastewater	W-009	Permits: Encroachment Permits, Operating Permits, etc.	P		P			Mag, Ppr			Department preference; GC §60201

RECORDS RETENTION SCHEDULE: WATER & WASTEWATER

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Wastewater	W-010	Permits: Pressure Vessels, Boilers, etc.	When Superseded		When Superseded		Mag, Ppr		Department preference; GC §60201
Wastewater	W-049	PHA (Process Hazard Analysis) / Process Safety Information	Life of the Process		Life of the Process	-	Mag, Ppr		Department Preference (required to be updated and revalidated every 5 years, which are required to be retained for the life of the process); 8 CCR 5189; 19 CCR 2760.2, 29 CFR 1910; GC §60201
Wastewater	W-011	Planning and Scheduling	When No Longer Required		When No Longer Required		Mag, Ppr		GC §60201
Wastewater	W-012	Sanitary Spills and Overflows (SSOs)	5 years		5 years		Mag, Mfr, OD, Ppr	S / I	Yes: After QC & OD Required for a minimum of 5 years; 40 CFR 122.41(j)(2); SWRCB Order 2006-03; 40 CFR 122.41(j)(2); GC §34090
Wastewater	W-013	SCADA Database (Supervisory Control and Data Acquisition)	Indefinite		Indefinite	Yes	Mag		Data is interrelated; system qualifies as a "trusted system"; GC §§60201, 12168.7
Wastewater	W-014	Sewage Sludge Removal	5 years		5 years		Mag, Ppr		5 years for sewage sludge and removal; 3 years for NPDES; 40 CFR 122.41(j)(2); 40 CFR 122.41(j)(2) & 40 CFR 141.33(b)
Wastewater	W-044	Source Control / FOG (Fats, Oil & Grease) / POTW (Publicly Owned Treatment Works) Pre-treatment of wastewater	3 years		3 years		Mag, Ppr		40 CFR 403.12; GC §60200
Lead Dept.	W-015	Standard Operating Procedures / SOPs	Superseded + 5 years		Superseded + 5 years		Mag, Mfr, OD, Ppr	S / I	No Department preference; GC §60201

RECORDS RETENTION SCHEDULE: WATER & WASTEWATER

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
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Wastewater	W-016	Street Opening Permits / Street Cut Permits / Temporary Encroachment Permits (County owns the streets)	2 years		2 years			Mag, Ppr		Department Preference; GC §60201
Lead Dept.	W-017	Underground Service Alerts (USAs)	3 years		3 years			Mag, Ppr		Department Preference (required for 3 years); the warrantee period for work done is usually 5 years, the Statute of Limitations for some work may be up to 10 years; CCP §337 et seq., GC §§4216.2(d) & 4216.3(d), 60201
Division Providing Service / Work	W-018	Work Orders / Service Requests CMMS DATABASE (Computerized Maintenance Management System)	Indefinite		Indefinite			Mag		Data is interrelated; GC §60201
Division Providing Service / Work	W-019	Work Orders / Service Requests - All Information Entered in CMMS Database	When No Longer Required		When No Longer Required			Mag Ppr		Preliminary drafts (the database is the original); GC §60201
Division Providing Service / Work	W-020	Work Orders / Service Requests - NOT entered in CMMS Database (or partial information entered into CMMS Database) (Division providing service retains originals; Division requesting service is considered a copy)	5 years		5 years			Mag Ppr		City Preference; CCP §§338 et seq., 340 et seq., 342, GC §§945.6, GC §60201

RECORDS RETENTION SCHEDULE: WATER & WASTEWATER

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
(OFR)										
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
WATER (POTABLE WATER) & LABORATORY										
Water	W-021	Backflow Test Results / Backflow Assembly Test Reports	5 years		5 years		Mag, Ppr			Department preference; 17 CCR 7605(f); GC §60201
Water	W-022	Conservation Programs	5 years		5 years		Mag, Ppr			Department Preference (meets auditing standards); GC §60201
Water	W-023	Customer Concerns / Customer Complaints: Odor / Taste / Visual Complaints (Correspondence)	5 years		5 years		Mag, Ppr			5 years is required in State and Federal law for any complaints; 40 CFR 122.41(j)(2) & 40 CFR 141.33(b); 22 CCR 64453(a)
Water	W-024	Fire Hydrant Flow Tests (Development or Maintenance)	Minimum 10 years		Minimum 10 years		Mag, Ppr			Department Preference; GC §60201
Water	W-025	Lab Reports & Chains of Custody: Bacteriological and Organics	10 years		10 years		Mag, Mfr, OD, Ppr	S / I	Yes - After QC & OD	Department Preference; Actual laboratory reports may be kept, or data may be transferred to tabular summaries; State law requires 5 years ; 40 CFR 141.33(a) and (b)(1) ; 22 CCR §64470
Water	W-026	Lab Reports & Chains of Custody: Chemical (Includes Chlorine Residuals)	12 years		12 years		Mag, Mfr, OD, Ppr	S / I	Yes - After QC & OD	Department preference; State law requires 12 years, Federal 10 years; 40 CFR 141.33(a); 22-CGR §64692
Water	W-027	Lab Reports & Chains of Custody: Lead & Copper	18 years		18 years		Mag, Mfr, OD, Ppr	S / I	Yes - After QC & OD	Required for 12 years or 2 compliance cycles; 40 CFR 141.91
Water	W-028	Lab Reports & Chains of Custody: Wastewater Treatment	15 years		15 years		Mag, Ppr			If treating water, required for 5 years; 40 CFR 122.41(j)(2)

RECORDS RETENTION SCHEDULE: WATER & WASTEWATER

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference	
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan		Destroy Paper after Imaged & QC'd?
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Lead Dept.	W-029	Material Safety Data Sheet (MSDS) / Safety Data Sheet (SDS) / Chemical Use Report Form (or records of the chemical / substance / agent, where & when it was used)	While Chemical In Use	30 years	30 years		Mag, Mfr, OD, Ppr	S	Yes (after inactive)	Previous MSDS may be obtained from a service; MSDS may be destroyed as long as a record of the chemical / substance / agent, where & when it was used is maintained for 30 years; Applies to qualified employers; Claims can be made for 30 years for toxic substance exposures; 8 CCR 3204(d)(1)(B)(2 and 3), 29 CFR 1910.1020(d)(1)(i), GC §60201
Lead Dept.	W-030	Operations & Maintenance Manuals / O & M Manuals	Disposal of Equipment		Disposal of Equipment		Mag, Mfr, OD, Ppr	S / I	No	Department preference; GC §60201
Lead Dept.	W-031	Pre-Trip Inspections / DOT Program / Vehicle Safety Checks / Daily Vehicle Inspections / Daily Equipment Checks	2 years		2 years		Ppr			GC §60201
Water	W-032	SCADA Database (Water) (Supervisory Control and Data Acquisition)	Indefinite		Indefinite	Yes	Mag			Data is interrelated; system qualifies as a "trusted system"; GC §§60201, 12168.7
Lead Dept.	W-033	Standard Operating Procedures / SOPs	Superseded + 5 years		Superseded + 5 years		Mag, Mfr, OD, Ppr	S / I	No	Department preference; GC §60201

RECORDS RETENTION SCHEDULE: WATER & WASTEWATER

Office of Record	Retention No.	Records Description	Retention / Disposition						Comments / Reference	
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan		Destroy Paper after Imaged & QC'd?
(OFR)										
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
<i>Retentions begin when the act is completed, and imply a full file folder (e.g. last document + 2 years), since destruction is normally performed by file folder.</i>										
<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Lead Dept.	W-034	Underground Service Alerts (USAs)	3 years		3 years			Mag, Ppr		Department Preference (required for 3 years); the warrantee period for work done is usually 5 years, the Statute of Limitations for some work may be up to 10 years; CCP §337 et seq., GC §§4216.2(d) & 4216.3(d), 60201
Water	W-035	Videos - Water Wells, Repairs, Reservoirs, Tanks, etc.	P		P			Mag		Department preference; GC §60201
Water	W-036	Water Production Reads / Reports (to State DPH & DWR)	5 years		5 years			Mag, Ppr		Department Preference; Meets California Department of Health requirements (3 years); GC §60201
Water	W-037	Water Resources Planning Historical Reports / Water Assessments	P		P			Mag, Mfr, OD, Ppr	S	Yes: After QC & OD City Preference; CCP §§338 et seq., 340 et seq., 342, GC §§945.6, GC §60201
Board Clerk	W-038	Water Supply Agreements	Copies - When No Longer Required		Copies - When No Longer Required	Yes		Mag, Mfr, OD, Ppr	S	No GC §60200
Water	W-039	Well Records (includes Destroyed or Abandoned Wells)	P		P			Mag, Mfr, OD, Ppr	S	Yes: After QC & OD Department preference; GC §60201
Division Providing Service / Work	W-040	Work Orders / Service Requests CMMS DATABASE (Computerized Maintenance Management System)	Indefinite		Indefinite			Mag		Data is interrelated; GC §60201

RECORDS RETENTION SCHEDULE: WATER & WASTEWATER

Office of Record	Retention No.	Records Description	Retention / Disposition							Comments / Reference
			Active (in office)	Inactive (Off-site, OD or Mfr)	Total Retention	Vital?	Media Options	Image: I=Import M=Mfr S=Scan	Destroy Paper after Imaged & QC'd?	
(OFR)										
<i>If the record is not listed here, refer to the Retention for District-Wide Standards.</i>										
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<i>Litigation, complaints, claims, audits, pending public records act requests, and/or investigations suspend normal retention periods (retention resumes after settlement or completion).</i>										
Division Providing Service / Work	W-041	Work Orders / Service Requests - All Information Entered in CMMS Database	When No Longer Required		When No Longer Required			Mag Ppr		Preliminary drafts (the database is the original); GC §60201
Division Providing Service / Work	W-042	Work Orders / Service Requests - NOT entered in CMMS Database (or partial information entered into CMMS Database) (Division providing service retains originals; Division requesting service is considered a copy)	5 years		5 years			Mag Ppr		City Preference; CCP §§338 et seq., 340 et seq., 342, GC §§945.6, GC §60201

**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

PROCLAMATION NO. 17-02

WHEREAS, Hugh Henderson is the Fire Chief of East Contra Costa Fire Protection District, a District that includes the Town of Discovery Bay; and

WHEREAS, Chief Henderson began his public service career as a volunteer firefighter with Bethel Island Fire Protection District in 1980 at the age of 17; and

WHEREAS, While still in the fire service as a volunteer firefighter, Chief Henderson served as a police officer with the Brentwood Police Department from 1988 to 1995; and

WHEREAS, In 1995, Chief Henderson left police service to devote himself full time to the fire service as a firefighter with the City of El Cerrito, rising in rank to Captain; and

WHEREAS, In 2005, Chief Henderson was hired as a Battalion Chief with East Contra Costa Fire Protection District, rising in rank to Fire Chief; and

WHEREAS, Chief Henderson has worked tirelessly to deliver quality fire protection and emergency medical services to a Fire Protection District that has complex needs and varied interests; and

WHEREAS, Chief Henderson has provided steadfast leadership to the East Contra Costa Fire Protection District in times of economic hardship and dwindling resources; and

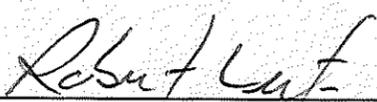
WHEREAS, during Chief Henderson's tenure he has safeguarded the people of the Town of Discovery Bay through the delivery of compassionate and competent fire service and emergency medical response; and

WHEREAS, Chief Henderson has demonstrated throughout his life and career a sense of deep responsibility and pride, both professionally and personally; and

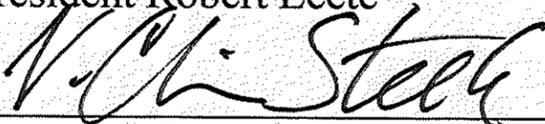
WHEREAS, Chief Henderson has announced his retirement after 36 years in the fire service;

NOW, THEREFORE, BE IT RESOLVED that we, the Board of Directors of the Town of Discovery Bay, hereby approve this proclamation thanking and honoring FIRE CHIEF HUGH HENDERSON for his many years of public safety service and congratulate him on his retirement.

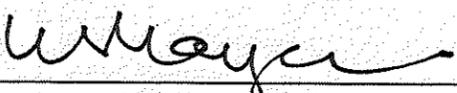
APPROVED AND ADOPTED this 1ST day of February 2017.



President Robert Leete



Director Chris Steele



Director Bill Mayer



Vice-President Kevin Graves



Director Bill Pease



MONTHLY OPERATIONS REPORT

February 2017

Town of Discovery Bay, CA

2740 Days of Safe Operations

128,200 worked hours since last recordable incident

TRAINING:

Safety, Operations, & Equipment

Safety	Hours
West Monthly Regional Safety Webinar Weekly Safety Topics LOTO	4.0
Operations	
New Panel View Screen	0.5

REPORTS SUBMITTED TO REGULATORY AGENCIES

Monthly Discharge Monitoring Report (DMR) Monthly electronic State Monitoring Report (eSMR) Monthly Coliform Report, State Water Board (WD) Annual BioSoild Report , EPA

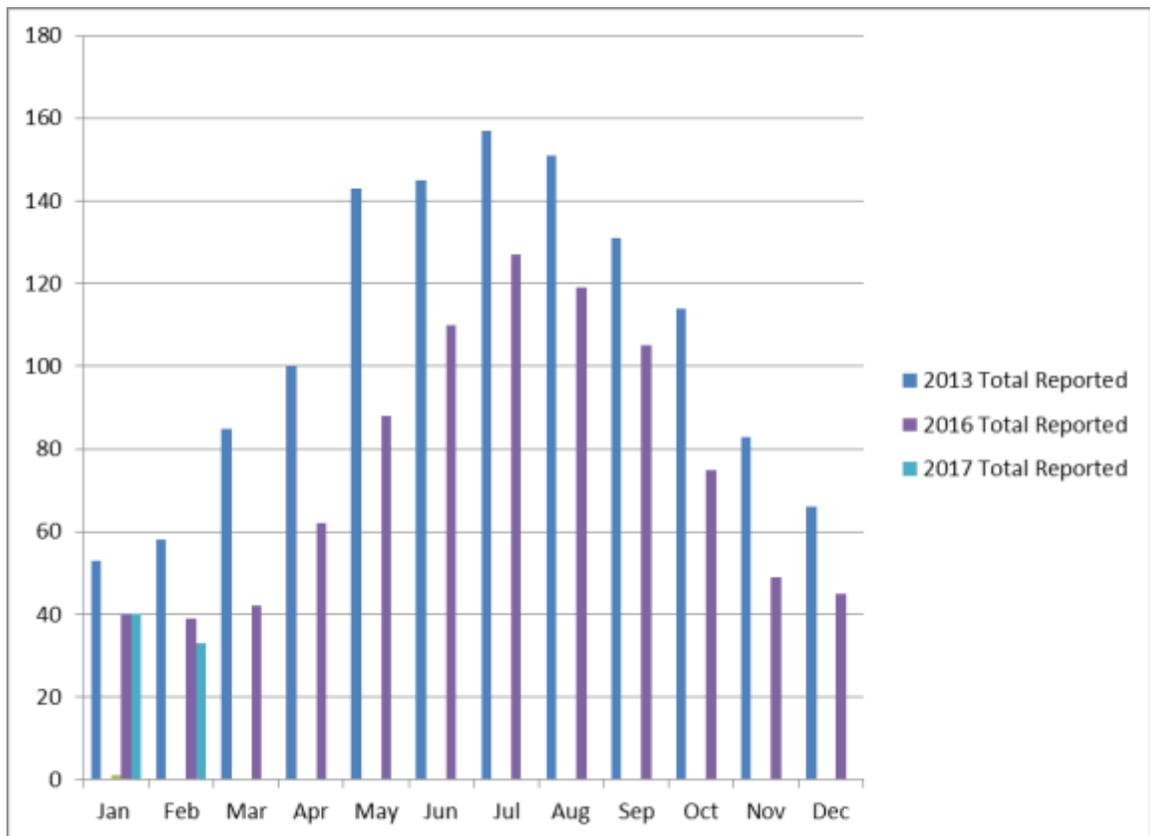
WATER SERVICES

# of Active Wells	Water Produced (MG)	Chemical (Hypo) Delivered	Fire Hydrant Flushing
6	33	1170	4

Note: Well 5 is active, stand by only.

2017 Monthly Water Production Table (MG)

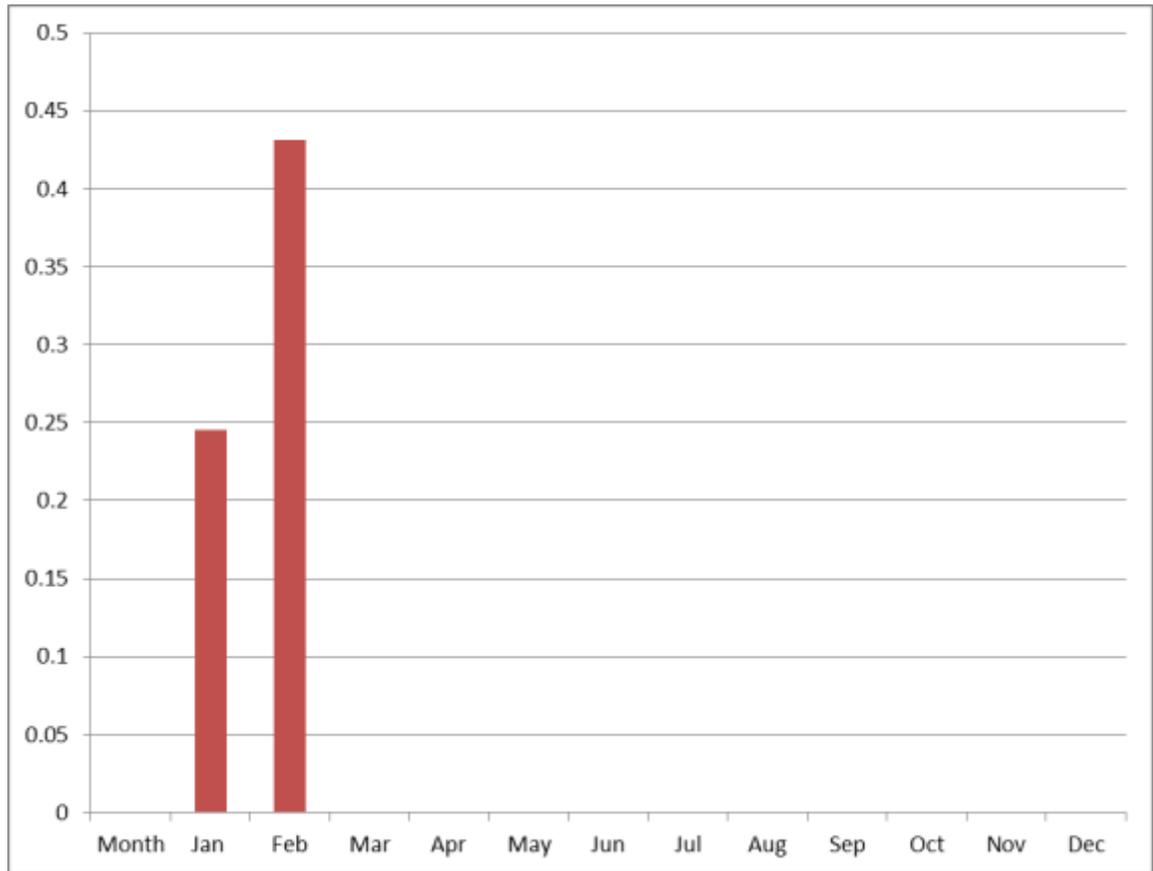
January	February	March	April	May	June
40	33				
July	August	September	October	November	December



Bacteriological Test Results:

Routine Bacteria Samples Collected	No. Total Coliform Positives	No. Fecal/E. coli Positives	Brown Water Calls
16	0	0	0

Water Reduction



WASTEWATER SERVICE

Wastewater Laboratory Analysis

<i>WW Effluent Parameter</i>	<i>Permit Limits</i>	<i>January Lab Data</i>	<i>February Lab Data</i>
Flow, MG Effluent, monthly total		40	38
Flow, MG Daily Influent Flow, avg.	N/A	1.3	1.4
Flow, MG Daily Discharge Flow, avg.	2.35	1.3	1.3
Effluent BOD ₅ , lbs/d, monthly avg.	350	35	24
Effluent TSS, lbs/d, monthly avg.	525	93	40
Effluent BOD ₅ , mg/L, monthly avg.	20	3	2
Effluent TSS, mg/L, monthly avg.	30	8	4
Total Coli form 7 day Median Max	23	23	0
Total Coli form Daily Maximum	240	130	0
% Removal BOD ₅ , monthly avg.	85% min.	98	99
% Removal, TSS, monthly avg.	85% min.	93	98
Electrical Conductivity, umhos/cm annual avg.	2100	2050	2030

Blue – new parameter added
Around 6" of rainfall in Feb.

National Pollution Discharge Elimination System (NPDES)

NPDES Related Excursions	Permit Parameter	NPDES Parameter Limit	Actual Parameter Result
0	N/A	N/A	N/A

Bacteriological Test Results

Routine Bacteria Samples Collected	No. Total Coliform Positives	No. Fecal/E. coli Positives	7-Day Median Excursion
11	0	0	0

Lift Station Status

# of Active Lift Stations	# of Inactive Lift Stations	SSO	Wastewater Received (MG)
15	0	0	39

COLLECTION

- 66,589 ft. of collection sanitary sewer line has been assessed
- 737 ft. flushed
- Inspected 0 manhole & covers
- 221 manhole & covers has been inspected.
- Performed weekly lift station inspections.

MAINTENANCE

Preventive and Corrective

Total # of WO's Completed	Total Hours
226	174

Work Order Back-Log

Aging 8 - 30 Days	Aging > 30 Days
37	1

Call & Emergency Responses

Call Outs	Emergencies
7	0

Personnel Hours & Overtime:

Regular Hours	Overtime
1567	41

TERMS

WWTP	WASTEWATER TREATMENT PLANT
WTP	WATER TREATMENT PLANT
WL	WILLOW LAKE
NP	NEWPORT
VFD	VARIABLE FREQUENCY DRIVE
WO	WORK ORDER
PLC	PROGRAMMABLE LOGIC CONTROLLER
L/S	LIFT STATION
SSO	SANITARY SEWER OVERFLOW
BOD	BIOLOGICAL OXYGEN DEMAND
TSS	TOTAL SUSPENDED SOLIDS
MGD	MILLION GALLONS PER DAY
mg/l	MILLIGRAMS PER LITRE
CCTV	CLOSED CIRCUIT TELEVISION
PPM	PARTS PER MILLION
RAS	RETURN ACTIVATED SLUDGE
WAS	WATSE ACTIVATED SLUDGE
UV	ULTRAVIOLET LIGHT



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

March 15, 2017

Prepared By: Dina Breitstein, Finance Manager
Submitted By: Mike Davies, General Manager

MRD

Agenda Title

Audited Financial Statements: Receive report from the District's Auditor and consider approving the FY 2015-16 Audited Financial Statements

Recommended Action

Staff recommends that the Board approve and accept the FY 2015-16 Audited Financial Statements

Executive Summary

Pursuant to the requirements of California Government Code §26909(b), the Town of Discovery Bay CSD is required to conduct an annual audit of its financial statements. Additionally, the audit must also be provided to the State of California Controller's Office and the Contra Costa County Auditor's Office.

On March 15, 2017, Croce, Sanguinetti, and Vander Veen presents the DRAFT year-end audit for Fiscal Year 2015-16. The draft audit contained the findings and results from the audited financial statements for the period July 1, 2015 through June 30, 2016.

At this time, it is appropriate to accept the findings of the FY 2015-16 Audited Financial Statements and direct Croce, Sanguinetti, and Vander Veen to forward the final audit to the State Controller's Office and the Contra Costa County Auditor's Office.

Fiscal Impact:

Amount Requested

Sufficient Budgeted Funds Available?: (If no, see attached fiscal analysis)

Prog/Fund # Category:

Previous Relevant Board Actions for This Item

Attachments

1. Final - Financial Statements & Independent Auditors' Report - Letter to the Board of Directors
2. Management Letter
3. Final - Financial Statements & Independent Auditors' Report

AGENDA ITEM: F-1

_____, 2017

Board of Directors
Town of Discovery Bay Community
Services District
1800 Willow Lake Road
Discovery Bay, California 94505

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the **Town of Discovery Bay Community Services District** for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the **Town of Discovery Bay Community Services District** are described in Note A to the financial statements. The District implemented Governmental Accounting Standards Board (GASB) Statement No 72, *Fair Value Measurement and Application* and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* for the year ended June 30, 2016 as discussed in Note A to the financial statements. The application of existing policies was not changed during the year ended June 30, 2016. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Management's estimate of the allowance for doubtful accounts is based on prior years' experience and management's analysis of accounts receivable. We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. We did not identify any sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Accordingly, the following material adjustments were identified during the audit and recorded by management:

General Fund

- Entry of \$37,251 to adjust accounts receivable as of June 30, 2016

Water Fund

- Entry to record \$233,879 of depreciation expense as of June 30, 2016
- Entry of \$1,520,379 to transfer assets from Financing Authority to Water Fund as of June 30, 2016

Sewer Fund

- Entry to record \$1,321,917 of depreciation expense as of June 30, 2016
- Entry of \$6,381,541 to transfer assets from Financing Authority to Sewer Fund as of June 30, 2016

Lighting & Landscaping Zone 8

- Entries of \$46,483 to adjust accounts payable as of June 30, 2016
- Entry to record \$200,565 of depreciation expense as of June 30, 2016

Lighting & Landscaping Zone 9

- Entries of \$10,030 to adjust accounts payable as of June 30, 2016
- Entry to record \$12,063 of depreciation expense as of June 30, 2016

Financing Authority Fund

- Entry to record \$17,169 of amortization expense relative to bond premium as of June 30, 2016
- Entry of \$7,901,920 to transfer assets from Financing Authority to Water and Sewer Fund as of June 30, 2016

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 1, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of **Town of Discovery Bay Community Services District** and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants

March 1, 2017

Croce, Sanguinetti, & Vander Veen, Inc.
3520 Brookside Road, Suite 141
Stockton, California 95219

This representation letter is provided in connection with your audit of the financial statements of **Town of Discovery Bay Community Services District** (the District), which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of February 25, 2017, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated November 1, 2016, including our responsibility for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America and include all properly classified funds and other financial information of the primary government and all component units required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of the accounting principles generally accepted in the United States of America.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
8. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.
9. Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
11. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
12. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

13. We have no knowledge of any fraud or suspected fraud that affects the District and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
14. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
15. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
16. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
17. We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

Government - Specific

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
19. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
20. The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
21. We are responsible for the District's compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
22. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

23. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contract and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
24. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
25. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
26. As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
27. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
28. The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
29. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
30. The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
31. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
32. Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
33. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.

34. Provisions for uncollectible receivables have been properly identified and recorded.
35. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
36. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
37. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
38. Special and extraordinary items are appropriately classified and reported, if applicable.
39. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
40. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
41. We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
42. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
43. We are following GASB Statement No. 54, paragraph 18, to determine the fund balance classifications for financial reporting purposes.
44. We have informed you of all claims or assessments made against the District by the California Regional Water Quality Control Board.
45. In regards to the preparation of the Special Districts Financial Transactions Report, prepared by you, we have -
 1. Assumed all management responsibilities.
 2. Designated an individual with suitable skill, knowledge, or experience to oversee the services.
 3. Evaluated the adequacy and results of the services performed.
 4. Accepted responsibility for the result of the services.

46. The adjusting journal entries for the period ended June 30, 2016, which have been proposed by you, are approved by us and will be recorded on the books of the District.

Signed _____
District Financial Manager

Signed _____
District General Manager



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2016

WORKING DRAFT



CROCE, SANGUINETTI, & VANDER VEEN

INC.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditors' Report

To the Board of Directors
**Town of Discovery Bay Community
Services District**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Town of Discovery Bay Community Services District (District)** as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Town of Discovery Bay Community Services District** as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 11 and required supplementary information on pages 42 through 43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants
Stockton, California
February 25, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

WORKING DRAFT

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2016

This narrative overview and analysis of the Town of Discovery Bay Community Services District's (District) financial activities for the fiscal year ended June 30, 2016 has been provided by the management of the District. The management's discussion and analysis is intended to serve as an introduction to the District's financial statements which follow this section and is recommended to be reviewed in conjunction with them.

Financial Highlights

- The District's net position increased by \$1,940,267 over the prior year, including a \$364,937 increase in net position of governmental activities, and a \$1,575,330 increase in net position of business-type activities. The District's net position is now \$45,879,868.
- Total assets of the District were \$60,335,215 with capital assets at \$46,011,092 net of accumulated depreciation. Current, non-current and other assets were \$14,324,123.
- Total liabilities were \$14,455,347 consisting of long-term liabilities of \$13,265,701 and other current liabilities of \$1,189,646.
- Assets of the District exceeded liabilities at the close of the most recent fiscal year by \$45,879,868 (net position). Of this amount, \$13,128,776 (unrestricted net position) may be used to meet the District's ongoing obligations, and \$32,751,092 is net investment in capital assets.
- On the current financial resources basis, the District's governmental fund revenues exceeded expenditures (including \$50,070 in capital outlay expenditures) by \$504,734. The proprietary fund revenues exceeded expenses by \$1,575,330.
- At year-end, there was \$1,731,599 in cash and investments to fund future governmental activities, and \$12,192,885 in cash and investments to fund future business-type activities.

Overview of the Financial Statements

The District's financial statements are comprised of three components: government-wide financial statements, fund financial statements and notes to financial statements including required supplementary information.

Government-wide and fund financial statements present the results of operations for different functions of the District as follows:

1. **Government-wide financial statements** provide both long-term and short-term information about the District's overall financial position in a manner similar to private-sector business.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2016

Overview of the Financial Statements (Continued)

The **Statement of Net Position** displays all of the District's assets and liabilities, with the difference between the two reported as net position. The **Statement of Activities** provides all current year revenues and expenses on an accrual basis of accounting regardless of when cash is received or paid. These two government-wide statements report the District's net position and how they have changed during the fiscal year. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or weakening.

The government-wide financial statements separately present the District's functions as follows:

- **Governmental activities** include services financed mainly through property taxes. The District's general, lighting and landscaping and community center services comprise its governmental activities.
 - **Business-type activities** include services financed, in whole or in part, by fees paid by those who directly benefit from the service. The District's business-type activities include providing water and wastewater services to the residents of the District.
2. **Fund financial statements** focus on the individual functions of the District, and report the District's operations in more detail than the government-wide statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used by state and local governments to control their resources that are legally restricted or otherwise earmarked for special purposes. The District reports its fund financial statements in the following two categories:
- **Governmental funds** are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on 1) short-term inflows and outflows of expendable resources, and 2) the resources remaining at the end of the fiscal year that are available for future use. Because the focus of governmental funds is narrower than the government-wide financial statements, a reconciliation that explains the relationship (or differences) between them is presented following each of the governmental fund statements.
 - **Proprietary funds** are used to report the same functions presented as business-type activities in the government-wide financial statements in more detail.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2016

Financial Analysis of the Government-wide Financial Statements

A review of net position over time may serve as a useful indicator of the District's financial position. Net position represents the difference between the District's assets and liabilities. As of June 30, 2016, the District's net position was \$45,879,868, an increase of \$1,940,267 from prior year. The following table outlines the District's net position by function for the current and prior fiscal years.

Town of Discovery Bay Community Services District Net Position
(rounded to the nearest dollar)
As of June 30, 2016 and 2015

	Governmental Activities		Business-type Activities		Total		Variance \$
	2016	2015	2016	2015	2016	2015	
Assets							
Current and other assets	\$ 1,842,986	\$ 1,291,499	\$ 12,426,625	\$ 10,952,513	\$ 14,269,611	\$ 12,244,012	\$ 2,025,599
Restricted assets	-	-	-	1,299,917	-	1,299,917	(1,299,917)
Non-current assets	-	-	54,512	56,609	54,512	56,609	(2,097)
Capital assets, net	<u>2,335,307</u>	<u>2,469,313</u>	<u>43,675,785</u>	<u>43,101,378</u>	<u>46,011,092</u>	<u>45,570,691</u>	<u>440,401</u>
Total assets	<u>4,178,293</u>	<u>3,760,812</u>	<u>56,156,922</u>	<u>55,410,417</u>	<u>60,335,215</u>	<u>59,171,229</u>	<u>1,163,986</u>
Liabilities							
Current liabilities	161,141	113,921	1,028,505	1,490,716	1,189,646	1,604,637	(414,991)
Non-current liabilities	<u>8,889</u>	<u>3,565</u>	<u>13,256,812</u>	<u>13,623,426</u>	<u>13,265,701</u>	<u>13,626,991</u>	<u>(361,290)</u>
Total liabilities	<u>170,030</u>	<u>117,486</u>	<u>14,285,317</u>	<u>15,114,142</u>	<u>14,455,347</u>	<u>15,231,628</u>	<u>(776,281)</u>
Net Position							
Invested in capital assets	2,335,307	2,469,313	30,415,785	29,536,378	32,751,092	32,005,691	745,401
Unrestricted	<u>1,672,956</u>	<u>1,174,013</u>	<u>11,455,820</u>	<u>10,759,897</u>	<u>13,128,776</u>	<u>11,933,910</u>	<u>1,194,866</u>
Total net position	<u>\$ 4,008,263</u>	<u>\$ 3,643,326</u>	<u>\$ 41,871,605</u>	<u>\$ 40,296,275</u>	<u>\$ 45,879,868</u>	<u>\$ 43,939,601</u>	<u>\$ 1,940,267</u>

By far the largest portion of the District's net position (71%) reflects its net capital assets (e.g., land, buildings and improvements, equipment, etc.). The District uses its capital assets to provide the services it is responsible for and those assets don't represent future expendable resources. The second largest portion of the District's net position, approximately 29%, reflects its unrestricted net position, which may be used to meet the government's ongoing obligations.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2016

Financial Analysis of the Government-wide Financial Statements (Continued)

The following table displays the change in the District's net position for the year ended June 30, 2016.

Town of Discovery Bay Community Services District Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues						
Charges for services	\$ 112,850	\$ 126,055	\$ 8,333,833	\$ 7,501,141	\$ 8,446,683	\$ 7,627,196
Operating grants and contributions	-	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-	-
General revenues						
Property taxes	576,524	555,715	-	-	576,524	555,715
Assessments	123,209	119,076	-	-	123,209	119,076
Investment income	-	-	97	214	97	214
Other	490,560	637,572	587,143	262,608	1,077,703	900,180
Total revenues	<u>1,303,143</u>	<u>1,438,418</u>	<u>8,921,073</u>	<u>7,763,963</u>	<u>10,224,216</u>	<u>9,202,381</u>
Expenses						
General government	349,895	396,343	-	-	349,895	396,343
Community center	1,255	1,895	-	-	1,255	1,895
Lighting and landscaping						
Zone 8	804,094	880,572	-	-	804,094	880,572
Lighting and landscaping						
Zone 9	84,303	123,144	-	-	84,303	123,144
Water	-	-	2,312,379	2,340,562	2,312,379	2,340,562
Sewer	-	-	4,223,813	4,312,170	4,223,813	4,312,170
Financing authority	-	-	508,210	515,707	508,210	515,707
Total expenses	<u>1,239,547</u>	<u>1,401,954</u>	<u>7,044,402</u>	<u>7,168,439</u>	<u>8,283,949</u>	<u>8,570,393</u>
Transfers	301,341	21,634	(301,341)	(21,634)	-	-
Change in net position	364,937	58,098	1,575,330	573,890	1,940,267	631,988
Net position, beginning of year	<u>3,643,326</u>	<u>3,585,228</u>	<u>40,296,275</u>	<u>39,722,385</u>	<u>43,939,601</u>	<u>43,307,613</u>
Net position, end of year	<u>\$ 4,008,263</u>	<u>\$ 3,643,326</u>	<u>\$41,871,605</u>	<u>\$40,296,275</u>	<u>\$45,879,868</u>	<u>\$43,939,601</u>

The \$1,940,267 increase in net position is attributed to each function as follows:

Governmental Activities

- Charge for services decreased by \$13,205 due to a decrease in community center pool fees and rental revenue.
- Property tax revenue increased by \$20,809 due to an increase in assessed values of properties during the year related to more positive economic conditions than in the past.
- Other revenue decreased by \$147,012 due to a decrease in reimbursements.
- Expenses decreased \$162,047 (12%) due to a decrease in repairs and maintenance, salaries and wages, and contract services.

(Continued)

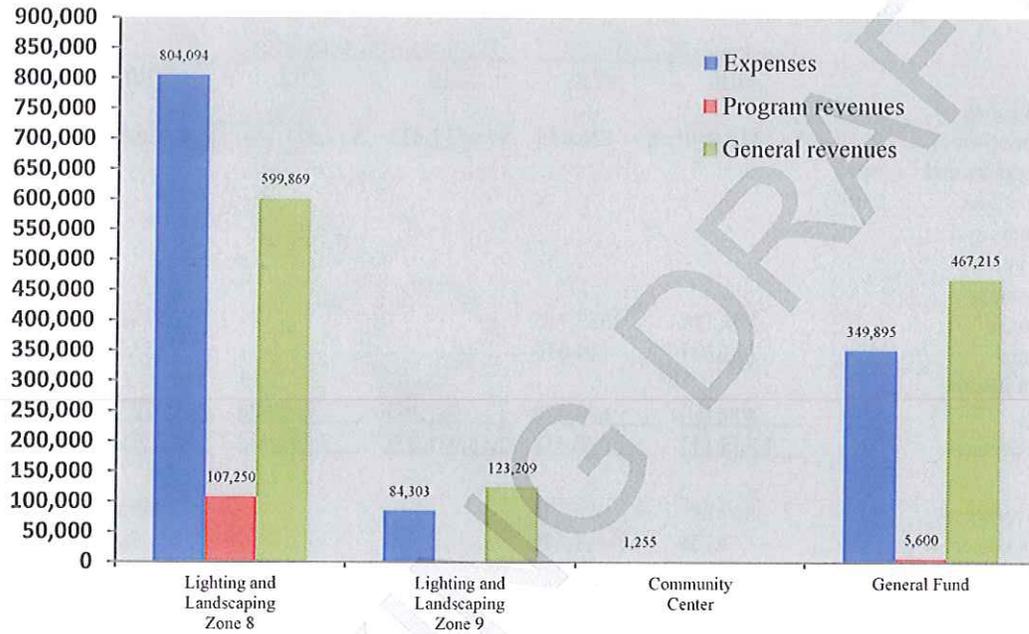
TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

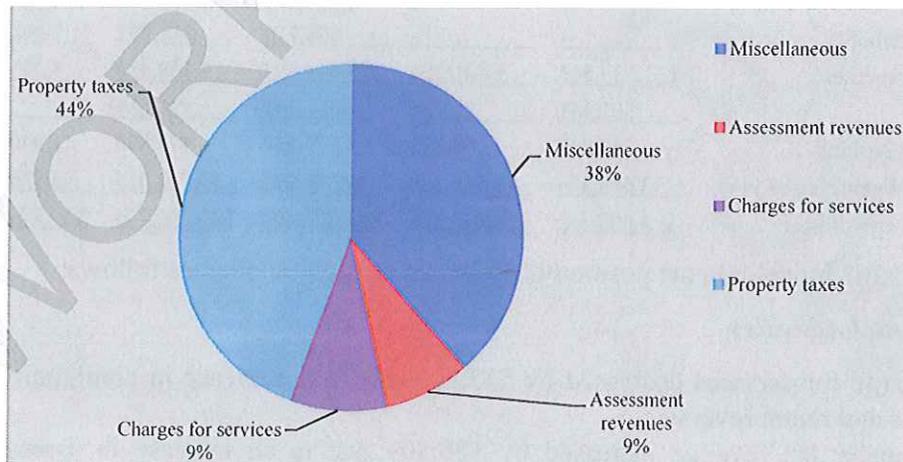
June 30, 2016

Financial Analysis of the Government-wide Financial Statements (Continued)

Expenses and Revenues - Governmental Activities



Revenues by Source - Governmental Activities



(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

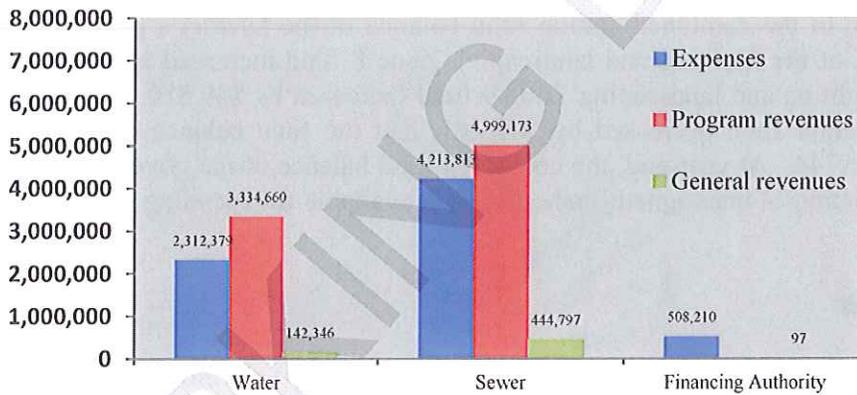
June 30, 2016

Financial Analysis of the Government-wide Financial Statements (Continued)

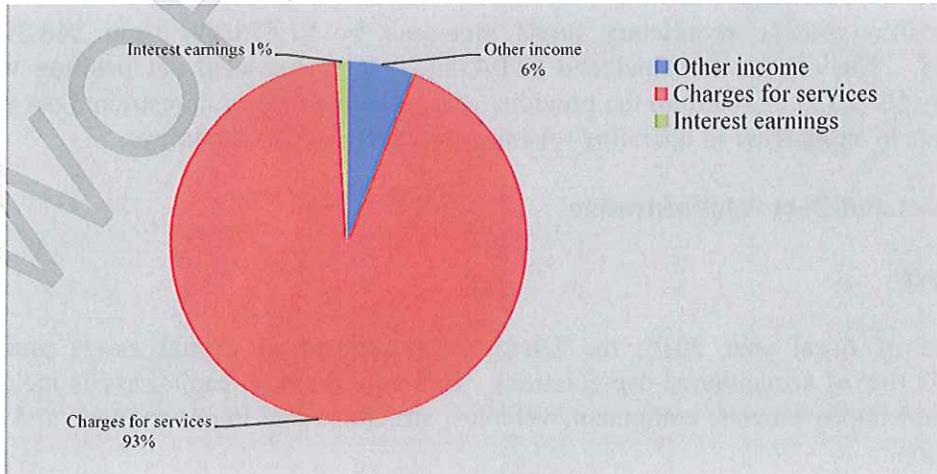
Business-type Activities

- Charges for services increased \$832,692 (11%) due to an increase in water and sewer rates and capacity fees.
- Other revenues increased \$324,535 (124%) due to an increase in reimbursement revenue.
- Expenses decreased \$124,037 (2%) primarily due to a decrease in contract services and repairs and maintenance.

Expenses and Revenues - Business-type Activities



Revenues by Source - Business-type Activities



TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2016

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on the short-term inflows and outflows and balances of current expendable resources. In particular, the *unassigned fund balance* presented in the balance sheet may serve as a useful measure of the District's resources available for spending at the end of its fiscal year.

As of the end of the current fiscal year, the District's combined governmental fund revenues exceeded expenditures by \$504,734 primarily due to decreased expenditures. This resulted in a \$504,734 increase in the combined ending fund balance of the District's governmental funds. The fund balance of the Lighting and landscaping Zone 8 fund increased by \$62,381, the fund balance of the Lighting and landscaping Zone 9 fund increased by \$49,810, the fund balance of the community center fund decreased by \$19,201, and the fund balance of the general fund increased by \$411,744. At year-end, the combined fund balance of the governmental funds was \$1,681,845, consisting of unassigned funds, which is available for spending at the government's discretion.

Proprietary Funds

The District's proprietary fund statements provide the same type of information, in more detail, on the business-type activities presented in the government-wide financial statements.

The net position of the proprietary funds increased by \$1,575,330 from \$40,296,275 to \$41,871,605. The net position included \$11,455,820 in unrestricted net position which has increased by \$695,923 or 6% from the previous year. The increase in unrestricted net position is primarily due to an increase in operating revenues and decreased expenditures.

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal year 2016, the District's investment in capital assets amounted to \$32,751,092 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, vehicles, structures and improvements, and treatment and collection.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2016

Capital Asset and Debt Administration (Continued)

The District's total investment in capital assets before depreciation increased by \$1,589,596 from \$58,342,084 to \$59,931,680. Significant additions to capital assets included:

- Effluent Filtration Project (\$162,750)
- Secondary process improvements - Plant #2 (\$1,162,237)
- Vehicle storage facility - Plant #2 (\$208,577)

The following table displays the changes in District's capital assets, net of accumulated depreciation.

Town of Discovery Bay Community Services District's Capital Assets
(net of depreciation, in rounded dollars)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 415,930	\$ 415,930	\$ 307,000	\$ 307,000	\$ 722,930	\$ 722,930
Buildings and improvements	3,020,285	2,985,329	1,613,317	1,432,489	4,633,602	4,417,818
Treatment and collection	-	-	43,643,773	34,967,011	43,643,773	34,967,011
Structure and improvements	-	-	9,169,566	9,094,472	9,169,566	9,094,472
Equipment	254,468	239,354	891,902	1,060,456	1,146,370	1,299,810
Office furniture and equipment	15,307	19,617	-	-	15,307	19,617
Vehicles	80,133	80,133	366,064	417,491	446,197	497,624
Construction in progress	-	-	153,935	7,322,802	153,935	7,322,802
Total	3,786,123	3,740,363	56,145,557	54,601,721	59,931,680	58,342,084
Less accumulated depreciation	(1,450,816)	(1,271,050)	(12,469,772)	(11,500,343)	(13,920,588)	(12,771,393)
Net capital assets	<u>\$ 2,335,307</u>	<u>\$ 2,469,313</u>	<u>\$43,675,785</u>	<u>\$43,101,378</u>	<u>\$46,011,092</u>	<u>\$45,570,691</u>

Additional information on the District's capital assets can be found in Note E of the "Notes to Financial Statements" section.

Debt Administration

At June 30, 2016, the District had \$13,260,000 in debt outstanding as compared to \$13,565,000 for the prior year. During fiscal year 2014, the District received Series 2012 Enterprise Revenue Bonds to finance the acquisition and construction of certain improvements to the water and wastewater systems. Additional information regarding the District's debt can be found in Note F of this report.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2016

Economic Factors and Next Year's Budgets and Rates

The District has experienced moderate growth which is expected to continue over the next 3-5 years as the economy recovers. This growth will further create demand for water and wastewater services and additional capital facilities. These demands have been addressed in the District's capital improvement program. The District is currently in the process of reviewing rates for water and wastewater services to evaluate the District's financial needs and rate structure.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's financial accountability and compliance with applicable laws for all those with an interest in the District's finances. Questions concerning any of the information provided in this report, or requests for additional financial information can be addressed to Town of Discovery Bay Community Services District, Attention: General Manager, 1800 Willow Lake Road, Discovery Bay, California 94505.

BASIC FINANCIAL STATEMENTS

WORKING SHEET

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Statement of Net Position

June 30, 2016

	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Total</u>
Assets			
Current assets:			
Cash and investments	\$ 1,731,599	\$ 12,192,885	\$ 13,924,484
Accounts receivable, net of allowance for doubtful accounts	103,599	232,908	336,507
Advances on taxes	3,209	832	4,041
Inventory	4,579	-	4,579
Non-current assets:			
Debt issuance costs-prepaid insurance, net	-	54,512	54,512
Capital assets, net of accumulated depreciation	<u>2,335,307</u>	<u>43,675,785</u>	<u>46,011,092</u>
Total assets	<u>4,178,293</u>	<u>56,156,922</u>	<u>60,335,215</u>
Deferred outflows of resources			
	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities			
Current liabilities:			
Accounts payable	130,948	633,065	764,013
Accrued payroll	30,193	37,305	67,498
Interest payable	-	43,155	43,155
Other accrued liabilities	-	2,000	2,000
Deferred revenue	-	2,980	2,980
Bonds payable-current	-	310,000	310,000
Non-current liabilities:			
Compensated absences	8,889	11,603	20,492
Bonds payable	-	12,950,000	12,950,000
Unamortized bond premium	<u>-</u>	<u>295,209</u>	<u>295,209</u>
Total liabilities	<u>170,030</u>	<u>14,285,317</u>	<u>14,455,347</u>
Deferred inflows of resources			
	<u>-</u>	<u>-</u>	<u>-</u>
Net Position			
Net investment in capital assets	2,335,307	30,415,785	32,751,092
Unrestricted	<u>1,672,956</u>	<u>11,455,820</u>	<u>13,128,776</u>
Total net position	<u>\$ 4,008,263</u>	<u>\$ 41,871,605</u>	<u>\$ 45,879,868</u>

The accompanying notes are an integral part of this financial statement.

STATEMENT OF ACTIVITIES

WORKING DRAFT

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Statement of Activities

For the year ended June 30, 2016

	<u>Expenses</u>	<u>Program revenues</u>		
		<u>Charges for services</u>	<u>Operating grants and contributions</u>	<u>Capital grants and contributions</u>
Governmental activities				
General government	\$ 349,895	\$ 5,600	\$ -	\$ -
Community center	1,255	-	-	-
Lighting and landscaping Zone 8	804,094	107,250	-	-
Lighting and landscaping Zone 9	<u>84,303</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>1,239,547</u>	<u>112,850</u>	<u>-</u>	<u>-</u>
Business-type activities				
Water	2,312,379	3,334,660	-	-
Sewer	4,223,813	4,999,173	-	-
Financing Authority	<u>508,210</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>7,044,402</u>	<u>8,333,833</u>	<u>-</u>	<u>-</u>
Total government	<u>\$ 8,283,949</u>	<u>\$ 8,446,683</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues

 Taxes

 Property taxes

 Homeowners property tax relief

 Assessments

 Investment income

 Other income

Transfers

 Total general revenues and transfers

Change in net position

 Net position, beginning of year

 Net position, end of year

<u>Net (expense) revenue and changes in net position</u>		
<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Totals</u>
\$ (344,295)	\$ -	\$ (344,295)
(1,255)	-	(1,255)
(696,844)	-	(696,844)
<u>(84,303)</u>	<u>-</u>	<u>(84,303)</u>
<u>(1,126,697)</u>	<u>-</u>	<u>(1,126,697)</u>
-	1,022,281	1,022,281
-	775,360	775,360
<u>-</u>	<u>(508,210)</u>	<u>(508,210)</u>
<u>-</u>	<u>1,289,431</u>	<u>1,289,431</u>
<u>(1,126,697)</u>	<u>1,289,431</u>	<u>162,734</u>
572,082	-	572,082
4,442	-	4,442
123,209	-	123,209
-	97	97
490,560	587,143	1,077,703
<u>301,341</u>	<u>(301,341)</u>	<u>-</u>
<u>1,491,634</u>	<u>285,899</u>	<u>1,777,533</u>
364,937	1,575,330	1,940,267
<u>3,643,326</u>	<u>40,296,275</u>	<u>43,939,601</u>
<u>\$ 4,008,263</u>	<u>\$ 41,871,605</u>	<u>\$ 45,879,868</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Balance Sheet
Governmental Funds**

June 30, 2016

	<u>General fund</u>	<u>Special revenue funds</u>			<u>Total governmental funds</u>
		<u>Community center</u>	<u>Lighting and landscaping Zone 8</u>	<u>Lighting and landscaping Zone 9</u>	
Assets					
Cash and investments	\$ 461,564	\$ 430,986	\$ 593,810	\$ 245,239	\$ 1,731,599
Accounts receivable	81,599	-	22,000	-	103,599
Advances on taxes	-	-	3,209	-	3,209
Inventory	-	4,579	-	-	4,579
Total assets	<u>\$ 543,163</u>	<u>\$ 435,565</u>	<u>\$ 619,019</u>	<u>\$ 245,239</u>	<u>\$ 1,842,986</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 13,930	\$ -	\$ 92,408	\$ 24,610	\$ 130,948
Accrued payroll	1,994	-	25,082	3,117	30,193
Total liabilities	<u>15,924</u>	<u>-</u>	<u>117,490</u>	<u>27,727</u>	<u>161,141</u>
Fund balances					
Committed to:					
Community center	-	435,565	-	-	435,565
Lighting and landscaping Zone 8	-	-	501,529	-	501,529
Lighting and landscaping Zone 9	-	-	-	217,512	217,512
Unassigned	527,239	-	-	-	527,239
Total fund balances	<u>527,239</u>	<u>435,565</u>	<u>501,529</u>	<u>217,512</u>	<u>1,681,845</u>
Total liabilities and fund balances	<u>\$ 543,163</u>	<u>\$ 435,565</u>	<u>\$ 619,019</u>	<u>\$ 245,239</u>	<u>\$ 1,842,986</u>

Reconciliation to statement of net position

Total governmental fund balances	\$ 1,681,845
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	2,335,307
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the balance sheet of governmental funds	<u>(8,889)</u>
Net position of governmental activities	<u>\$ 4,008,263</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds**

For the year ended June 30, 2016

	General fund	Special revenue funds			Total governmental funds
		Community center	Lighting and landscaping Zone 8	Lighting and landscaping Zone 9	
Revenues					
Reimbursements	\$ 467,215	\$ -	\$ -	\$ -	\$ 467,215
Property taxes	-	-	574,329	-	574,329
Other	5,600	-	130,595	-	136,195
Assessment income	-	-	-	123,209	123,209
Homeowners property tax relief	-	-	2,195	-	2,195
Total revenues	<u>472,815</u>	<u>-</u>	<u>707,119</u>	<u>123,209</u>	<u>1,303,143</u>
Expenditures					
Payroll	113,546	-	285,998	21,412	420,956
Repairs and maintenance	235,883	-	68,595	22,434	326,912
Utilities	-	-	146,973	10,644	157,617
Other	-	-	113,954	11,667	125,621
Professional fees	-	-	5,301	2,822	8,123
Insurance	-	-	7,265	3,186	10,451
Capital outlay	-	19,238	26,099	4,733	50,070
Total expenditures	<u>349,429</u>	<u>19,238</u>	<u>654,185</u>	<u>76,898</u>	<u>1,099,750</u>
Excess (deficiency) of revenues over expenditures	<u>123,386</u>	<u>(19,238)</u>	<u>52,934</u>	<u>46,311</u>	<u>203,393</u>
Other financing sources (uses)					
Operating transfers in	327,109	37	169,924	26,834	523,904
Operating transfers out	<u>(38,751)</u>	<u>-</u>	<u>(160,477)</u>	<u>(23,335)</u>	<u>(222,563)</u>
Total other financing sources (uses)	<u>288,358</u>	<u>37</u>	<u>9,447</u>	<u>3,499</u>	<u>301,341</u>
Net change in fund balances	411,744	(19,201)	62,381	49,810	504,734
Fund balances, beginning of year	<u>115,495</u>	<u>454,766</u>	<u>439,148</u>	<u>167,702</u>	<u>1,177,111</u>
Fund balances, end of year	<u>\$ 527,239</u>	<u>\$ 435,565</u>	<u>\$ 501,529</u>	<u>\$ 217,512</u>	<u>\$ 1,681,845</u>

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds (Continued)

For the year ended June 30, 2016

Reconciliation to statement of activities

Net change in fund balances - governmental funds	\$ 504,734
Amounts reported for governmental activities in the statement of net position are different because of the following:	
Depreciation expense related to capital assets is recognized in the statement of activities, but is not reported in the funds	(184,076)
Governmental funds report capital outlays as expenditures while governmental activities record depreciation expense to allocate those expenditures over the life of the assets	50,070
Change in compensated absences is recorded as an expense in the statement of activities	(5,324)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	<u>(467)</u>
Change in net position of governmental activities	<u>\$ 364,937</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Net Position
Proprietary Funds**

June 30, 2016

	<u>Water fund</u>	<u>Sewer fund</u>	<u>Financing Authority fund</u>	<u>Total</u>
<u>Assets and Deferred Outflows of Resources</u>				
Current assets				
Cash and investments	\$ 4,877,154	\$ 7,315,686	\$ 45	\$12,192,885
Accounts receivable, net	222,362	10,546	-	232,908
Interest receivable	-	-	43,155	43,155
Advances on taxes	<u>333</u>	<u>499</u>	<u>-</u>	<u>832</u>
Total current assets	<u>5,099,849</u>	<u>7,326,731</u>	<u>43,200</u>	<u>12,469,780</u>
Non-current assets				
Debt issuance cost - prepaid insurance	-	-	54,512	54,512
Debt service - installment receivable	-	-	13,706,237	13,706,237
Capital assets, net of accumulated depreciation	<u>7,539,468</u>	<u>36,136,317</u>	<u>-</u>	<u>43,675,785</u>
Total non-current assets	<u>7,539,468</u>	<u>36,136,317</u>	<u>13,760,749</u>	<u>57,436,534</u>
Deferred outflows of resources				
Total assets and deferred outflows of resources	<u>\$12,639,317</u>	<u>\$43,463,048</u>	<u>\$ 13,803,949</u>	<u>\$69,906,314</u>
<u>Liabilities, Deferred Inflows of Resources and Net Position</u>				
Current liabilities (payable from current assets)				
Accounts payable	100,215	532,850	-	633,065
Accrued payroll	17,098	20,207	-	37,305
Interest payable	4,747	38,408	43,155	86,310
Deferred revenue	2,980	-	-	2,980
Bonds payable - current	<u>-</u>	<u>-</u>	<u>310,000</u>	<u>310,000</u>
Total current liabilities	<u>125,040</u>	<u>591,465</u>	<u>353,155</u>	<u>1,069,660</u>
Non-current liabilities				
Other accrued liabilities	2,000	-	-	2,000
Debt service - installment payable	1,474,729	12,231,508	-	13,706,237
Compensated absences	8,186	3,417	-	11,603
Bonds payable	-	-	12,950,000	12,950,000
Unamortized bond premium	<u>-</u>	<u>-</u>	<u>295,209</u>	<u>295,209</u>
Total non-current liabilities	<u>1,484,915</u>	<u>12,234,925</u>	<u>13,245,209</u>	<u>26,965,049</u>
Deferred inflows of resources				
Total liabilities, deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position				
Net investment in capital assets	6,064,739	23,904,809	446,237	30,415,785
Unrestricted				
Board designated	2,728,110	3,828,450	-	6,556,560
Undesignated	<u>2,236,513</u>	<u>2,903,399</u>	<u>(240,652)</u>	<u>4,899,260</u>
Total net position	<u>11,029,362</u>	<u>30,636,658</u>	<u>205,585</u>	<u>41,871,605</u>
Total liabilities, deferred inflows of resources and net position	<u>\$12,639,317</u>	<u>\$43,463,048</u>	<u>\$ 13,803,949</u>	<u>\$69,906,314</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenses, and Change in Net Position
Proprietary Funds**

For the year ended June 30, 2016

	<u>Water fund</u>	<u>Sewer fund</u>	<u>Financing Authority fund</u>	<u>Total</u>
Operating revenues				
Charges for services	\$ 2,771,030	\$ 4,388,291	\$ -	\$ 7,159,321
Connection fees	563,630	610,882	-	1,174,512
Other	142,345	444,798	-	587,143
Total operating revenues	<u>3,477,005</u>	<u>5,443,971</u>	<u>-</u>	<u>8,920,976</u>
Operating expenses				
Contract services	518,305	1,211,836	-	1,730,141
Depreciation	233,879	1,321,917	-	1,555,796
Payroll	361,967	484,113	-	846,080
Repairs and maintenance	394,970	439,081	-	834,051
Utilities	340,502	382,211	-	722,713
Insurance	102,947	170,968	2,098	276,013
Professional fees	235,967	-	1,500	237,467
Permits and fees	25,105	44,061	-	69,166
Miscellaneous	22,968	35,109	-	58,077
Telephone and communications	9,413	28,691	-	38,104
Directors' expenses	14,750	20,025	-	34,775
Supplies	13,345	16,860	-	30,205
Chemicals	11,429	7,521	-	18,950
Memberships	5,851	8,470	-	14,321
Public communication	7,037	-	-	7,037
Staff training	1,791	1,547	-	3,338
Total operating expenses	<u>2,300,226</u>	<u>4,172,410</u>	<u>3,598</u>	<u>6,476,234</u>
Operating income (loss)	<u>1,176,779</u>	<u>1,271,561</u>	<u>(3,598)</u>	<u>2,444,742</u>
Nonoperating revenues (expenses)				
Investment income	-	-	43,253	43,253
Interest expense	(4,747)	(38,408)	(504,614)	(547,769)
Loss on asset disposal	(8,141)	(52,184)	-	(60,325)
Bad debt expense	(4,012)	782	-	(3,230)
Total nonoperating revenues (expenses)	<u>(16,900)</u>	<u>(89,810)</u>	<u>(461,361)</u>	<u>(568,071)</u>
Operating transfers in (out)	<u>(46,301)</u>	<u>(688,965)</u>	<u>433,925</u>	<u>(301,341)</u>
Change in net position	1,113,578	492,786	(31,034)	1,575,330
Net position, beginning of year	<u>9,915,784</u>	<u>30,143,872</u>	<u>236,619</u>	<u>40,296,275</u>
Net position, end of year	<u>\$ 11,029,362</u>	<u>\$ 30,636,658</u>	<u>\$ 205,585</u>	<u>\$ 41,871,605</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Cash Flows
Proprietary Funds**

For the year ended June 30, 2016

	<u>Water fund</u>	<u>Sewer fund</u>	<u>Financing Authority fund</u>	<u>Total</u>
Cash flows from operating activities				
Receipts from customers	\$ 3,401,734	\$ 5,518,967	\$ -	\$ 8,920,701
Payments to vendors and suppliers	(1,970,343)	(2,375,368)	(588,296)	(4,934,007)
Payments to employees and directors	(391,242)	(513,985)	-	(905,227)
Net cash provided by (used in) operating activities	<u>1,040,149</u>	<u>2,629,614</u>	<u>(588,296)</u>	<u>3,081,467</u>
Cash flows from non-capital financing activities				
Principal payments on bonds payable	-	-	(305,000)	(305,000)
Interest payments on bonds payable	-	-	(522,547)	(522,547)
Transfers in (out)	(46,301)	(688,965)	72,718	(662,548)
Net cash (used in) provided by non-capital financing activities	<u>(46,301)</u>	<u>(688,965)</u>	<u>(754,829)</u>	<u>(1,490,095)</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(403,057)	(1,054,418)	-	(1,457,475)
Net cash used in capital and related financing activities	<u>(403,057)</u>	<u>(1,054,418)</u>	<u>-</u>	<u>(1,457,475)</u>
Cash flows from investing activities				
Interest income	-	-	43,253	43,253
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>43,253</u>	<u>43,253</u>
Net increase (decrease) in cash and cash equivalents	590,791	886,231	(1,299,872)	177,150
Cash and cash equivalents, beginning of year	<u>4,286,363</u>	<u>6,429,455</u>	<u>1,299,917</u>	<u>12,015,735</u>
Cash and cash equivalents, end of year	<u>\$ 4,877,154</u>	<u>\$ 7,315,686</u>	<u>\$ 45</u>	<u>\$12,192,885</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ 1,176,779	\$ 1,271,561	\$ (3,598)	\$ 2,444,742
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	233,879	1,321,917	-	1,555,796
Change in assets and liabilities				
Accounts receivable	(75,271)	74,996	-	(275)
Debt issuance costs - prepaid insurance	-	-	2,097	2,097
Accounts payable	(237,063)	340,338	(586,795)	(483,520)
Accrued payroll	3,429	1,643	-	5,072
Other accrued liabilities	2,000	-	-	2,000
Debt service-installment payable	(45,650)	(369,351)	-	(415,001)
Compensated absences	(17,954)	(11,490)	-	(29,444)
Net cash provided by (used in) operating activities	<u>\$ 1,040,149</u>	<u>\$ 2,629,614</u>	<u>\$ (588,296)</u>	<u>\$ 3,081,467</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies

This summary of significant accounting policies of the Town of Discovery Bay Community Services District (the District) is presented to assist in understanding the District's financial statements.

Description of the reporting entity

The Town of Discovery Bay Community Services District, formerly known as Discovery Bay Community Services District was formed by the residents of Discovery Bay under the authority of the Cortese-Knox Act (Gov. C. Sec. 56000). This newly formed special district was formed as a result of a petition of residents to provide services to the residents of Discovery Bay. Effective July 1, 1998, the District assumed the responsibilities, funding, and assets previously held by the dissolved Sanitation District #19. During November 1998, the residents of Discovery Bay voted to activate the latent powers of the District to include recreation; specifically, to acquire, fund, and operate a Community Center.

Effective August 13, 2003, the Local Agency Formation Commission (LAFCO) of Contra Costa County dissolved County Service Area M-8 and annexed the territory to the Town of Discovery Bay Community Services District. The District is responsible for maintaining the lighting, landscaping, and parks within Service Area M-8 of the Town of Discovery Bay.

The Town of Discovery Bay Community Services District formed an assessment district known as Ravenswood Improvement District - Discovery Bay Lighting and landscaping Zone 9 for the purpose of providing for the operation and maintenance of landscaping, parks and open space in the subdivision known as Ravenswood.

The purpose of the Town of Discovery Bay Community Services District, a multipurpose independent district, is to represent the residents of Discovery Bay in any matters covered under the California Government Code relating to a Community Services District. In addition to the purposes listed in the Government Code, the District has been ordered by LAFCO and the Board of Supervisors to perform an advisory role for the residents of Discovery Bay. This role includes, but is not limited to, advising the County in matters of land use planning, zoning, compliance, roads and streets, lighting, landscaping, parks and public safety services. The District also provides water and sewer services to the Town of Discovery Bay.

As required by accounting principles generally accepted in the United States of America and the Governmental Accounting Standards Board, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

The District's financial reporting entity is composed of the following:

Primary Government:	Town of Discovery Bay Community Services District
Blended Component Unit:	Discovery Bay Public Financing Authority

In determining the financial reporting entity, the District complies with the provisions of Government Accounting Standards Board (GASB) Statements No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14*.

Blended Component Units

The Town of Discovery Bay Community Services District (the District) and the Byron Bethany Irrigation District entered into a Joint Exercise of Powers Agreement dated July 1, 2012, forming the Discovery Bay Public Financing Authority (the Authority). The Authority is authorized to borrow money for the purpose of assisting the District in financing various public capital improvements and facilities. The Authority issued revenue bonds in order to fund such expenditures. The Authority is controlled by the District and has the same governing body as the District, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority have been included (termed "blended") in these financial statements in the business-type activities. The Authority does not issue separate financial statements.

Government-wide financial statements

The Statement of Net Position and Statement of Activities display information about the primary government, the District and its blended component unit. These statements include the financial activities of the overall District government, except for fiduciary activities.

Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program, and (c) fees, grants, and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The District presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and enterprise categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

The General Fund is the primary operating fund of the District and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds are used to account for the proceeds of the specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the District. The reporting entity includes the following special revenue funds, all of which are reported as major funds:

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

<u>Fund</u>	<u>Brief description</u>
Community Center	Accounts for revenues and expenditures of acquiring, funding, and operating a community center.
Lighting and landscaping Zone 8	Accounts for revenues and expenditures related to maintenance of street lighting and landscaping facilities and services; local parks and recreation facilities and services; parkway facilities and services; and open space facilities and services Zone 8.
Lighting and landscaping Zone 9	Accounts for revenues and expenditures related to operation and maintenance of landscaping, parks and open space in the subdivision known as Ravenswood.

Proprietary Funds

Enterprise Funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds, all of which are reported as major funds:

<u>Fund</u>	<u>Brief description</u>
Water Fund	Accounts for the activities of providing water services to the residents of the District. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.
Sewer Fund	Accounts for the activities associated with operating and maintaining the Districts collection and treatment of wastewater. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.
Financing Authority Fund	Accounts for facilitating the financing of public capital improvements and facilities for the District's water and wastewater system. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt, and billing and collection.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The District's operating revenues include all revenues derived from water and sewage services. The enterprise funds also recognize as operating revenue, the portion of tap fees, connection fees and impact fees intended to recover the cost of connecting new customers to the system. Operating expenses include all costs related to water and sewage services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, except for capital contributions, which represent capital contributions collected for the acquisition or construction of capital assets.

As allowed by Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the District's proprietary funds follow all GASB pronouncements currently in effect as well as Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict with GASB pronouncements.

Measurement focus

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

Basis of accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

All proprietary funds utilize the *accrual basis of accounting*. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Cash and investments

For the purpose of financial reporting "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

Accounts receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The District provides for losses on accounts receivable using the allowance method. The allowance is based on historical experience and management's evaluation of outstanding accounts receivable.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

Debt service installment receivable

The District and the Authority have installment sale agreements whereby the District is obligated to pay to the Authority installment payments equal to the debt service requirements of the Authority's long-term debt. The debt service installment receivable represents the amount due from the District to meet the Authority's debt service requirements, which includes principal and accrued interest.

Inventory

Inventory held in the special revenue fund is carried at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Capital assets

Capital assets are reported in the applicable governmental or business-type activities columns of the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost. The District's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years.

Depreciation has been provided on capital assets and is charged as an expense against operations each year. The total amount of depreciation taken over the years is reported on the statement of net position as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets.

Buildings and improvements	7-40 years
Equipment	5-25 years
Structures and improvements	10-50 years
Treatment and collection	5-40 years
Vehicles	5 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

Compensated absences

Compensated absences are accrued as earned by employees, and consist of accruals for vacation time. The District's liability for compensated absences is reported in the Statement of Net Position for governmental activities in the government-wide financial statements.

Net position

Equity in the financial statements is classified as net position and displayed in three components as follows:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to these assets.
- c. Unrestricted - Amounts not required to be reported in other components of net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - Amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted - Amounts constrained regarding use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

Committed - Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action of the District's highest level of decision making authority.

Assigned - Amounts constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Board of Directors, District manager or their designee.

Unassigned - Amounts that have not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the District's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans - Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services - Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements - Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers - Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances - Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities - Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

Property taxes

Property taxes and property assessments were levied January 1, 2015, assessed July 1, 2015 and were payable in two installments on December 10, 2015 and April 10, 2016. The County of Contra Costa bills and collects property taxes on behalf of the District.

Utility sales

Utility sales are billed on a monthly basis. Estimated unbilled utility revenue through June 30 has been accrued at year-end for the enterprise funds.

Contributed capital

Effective August 13, 2003, the District recorded contributed capital to transfer funds from County Service M-8 to Lighting and landscaping Zone 8. The Lighting and landscaping Zone 8 district became the responsibility of the District on August 13, 2003. The contributed capital represents all capital assets and assets transferred to the District.

The District has received \$18,757,813 of noncash capital contributions from developers consisting of water and sewer infrastructure.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the basic financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

Budgetary accounting

The District does not adopt appropriated budgets. However, the District does adopt non-appropriated budgets annually, which are approved by the Board of Directors.

Long-lived assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

New accounting pronouncements

In February 2015, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The District implemented the provisions of this Statement for the year ended June 30, 2016. There was no impact to beginning net position as part of implementation of this accounting standard.

In December 2015, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note A - Summary of Significant Accounting Policies (Continued)

participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The District implemented the provisions of this Statement for the year ended June 30, 2016. There was no impact on beginning net position as part of implementation of this accounting standard.

Note B - Cash and Investments

Cash and investments as of June 30, 2016 are classified in the accompanying financial statements as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and investments	<u>\$ 1,731,599</u>	<u>\$ 12,192,885</u>	<u>\$ 13,924,484</u>
Total cash and investments	<u>\$ 1,731,599</u>	<u>\$ 12,192,885</u>	<u>\$ 13,924,484</u>

At June 30, 2016, the District's total cash and investments at fair value were as follows:

Cash:	
Cash on hand	\$ 500
Deposits with financial institutions	<u>3,954,367</u>
Total cash	<u>3,954,867</u>
Investments:	
Certificate of deposit	6,782
Contra Costa County Treasurer	<u>9,962,835</u>
Total investments	<u>9,969,617</u>
Total cash and investments	<u>\$ 13,924,484</u>

Investment policy

The District maintains a cash and investment pool that is available for use by all funds except for the Lighting and landscaping fund whose investments were directed by Contra Costa County. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as "cash and investments". Cash balances from all participating funds are combined and invested to the extent possible, pursuant to the Board of Directors approved Investment Policy and guidelines, and the California Government Code, Section 53600, Division 2, Chapter 4 - Financial Affairs.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note B - Cash and Investments (Continued)

The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive) that addresses interest rate risk, credit risk, and concentrations of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
U.S. Agency securities	5 years	None	None
California Local Agency debt	5 years	None	None
Bankers Acceptances	180 days	40%	30%
High Grade Commercial Paper	270 days	30%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Medium Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
Collateralized Negotiable Instruments	5 years	None	None
LAIF	N/A	None	None
Local government investment pools	N/A	None	None

The District complied with the provisions of California Government Code (or the District's investment policy, where more restrictive) pertaining to the types of investments held, institutions in which deposits were made and security requirements. The District will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities as necessary to provide the cash flow and liquidity needed for operations. The District's investment policy does not contain any provisions limiting interest rate risk other than what is specified in the California Government Code.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note B - Cash and Investments (Continued)

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment Type</u>	<u>Totals</u>	<u>12 months or less</u>	<u>13 - 24 months</u>	<u>25-36 months</u>	<u>37 - 48 months</u>	<u>49 - 60 months</u>	<u>More than 60 months</u>
Certificate of Deposit	\$ 6,782	\$ -	\$ 6,782	\$ -	\$ -	\$ -	\$ -
Total	\$ 6,782	\$ -	\$ 6,782	\$ -	\$ -	\$ -	\$ -

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Fiscal Year End</u>			
				<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Not Rated</u>
Certificate of Deposit	\$ 6,782	N/A	\$ -	\$ -	\$ -	\$ -	\$ 6,782
Total	\$ 6,782	N/A	\$ -	\$ -	\$ -	\$ -	\$ 6,782

Concentration of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in certain types of investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note B - Cash and Investments (Continued)

requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Deposits with financial institutions and Contra Costa County Treasurer

Cash on deposit in commercial accounts is insured by the Federal Deposit Insurance Corporation (FDIC). Cash held by the Contra-Costa County Treasury is pooled with other County deposits for investment purposes by the County Treasurer in accordance with the investment policy of the County Treasurer (see County Treasurer's investment policy at <http://www.co.contra-costa.ca.us/>). The Pool has established a treasury oversight committee to monitor and review the management of public funds maintained in the Pool. Participants' equity in the investment pool is determined by the dollar amount of the participant deposits, adjusted for withdrawals and distributed investment income. Investment income is prorated to individual funds based on their average daily cash balances. The value of the District shares in the Pool, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the District's position in the Pool. The District's investment in the Pool is unrated, stated at cost which approximates fair value, available upon demand and considered cash equivalents.

Note C - Accounts Receivable, Net

The accounts receivable, net balance consists of the following balances as of June 30, 2016:

	<u>General</u>	<u>Lighting and Landscaping Zone 8</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Accounts receivable	\$ 81,599	\$ 22,000	\$ 241,617	\$ 12,539	\$ 357,755
Allowance for uncollectible	-	-	(19,255)	(1,993)	(21,248)
Accounts receivable, net	<u>\$ 81,599</u>	<u>\$ 22,000</u>	<u>\$ 222,362</u>	<u>\$ 10,546</u>	<u>\$ 336,507</u>

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note D - Interfund Transactions

Interfund transactions consist of the following:

Transfers between funds

Resources may be transferred from one District fund to another with approval. The purpose of the majority of transfers is to reimburse a fund which has made an expenditure on behalf of another fund. Less often, a transfer may be made to open or close a fund.

Transfers between funds during the year ended June 30, 2016 were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds		
General fund	\$ 327,109	\$ 38,751
Community center	37	-
Lighting and landscaping zone 8	169,924	160,477
Lighting and landscaping zone 9	26,834	23,335
Major Proprietary Funds		
Water fund	-	46,301
Sewer fund	-	688,965
Financing authority	<u>433,925</u>	<u>-</u>
Total interfund transfers	<u>\$ 957,829</u>	<u>\$ 957,829</u>

In general, the District uses interfund transfers to:

- Transfer unrestricted revenues collected in the water and sewer fund to help finance various programs and capital projects accounted for in other funds
- Fund operations (move revenues from the funds that collect them to the funds that statute or budget requires to expend them)
- Fund interdepartmental cost reimbursement
- Fund capital projects

The effect of the interfund activity has not been eliminated from the government-wide financial statements as the amounts relate to transfers between governmental and business-type activities. The transfers have resulted from deposits made by Contra Costa County into the Sewer and Water Fund for revenues of the General Fund.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note E - Capital Assets

Capital asset activity for the year ended June 30, 2016, is as follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2016</u>
Governmental activities					
Nondepreciable capital assets					
Land	\$ 415,930	\$ -	\$ -	\$ -	\$ 415,930
Total nondepreciable capital assets	<u>415,930</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>415,930</u>
Depreciable capital assets					
Equipment	239,354	15,114	-	-	254,468
Buildings and improvements	2,985,329	34,956	-	-	3,020,285
Office furniture and equipment	19,617	-	(4,310)	-	15,307
Vehicles	<u>80,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,133</u>
Total depreciable capital assets	3,324,433	50,070	(4,310)	-	3,370,193
Less accumulated depreciation	<u>(1,271,050)</u>	<u>(184,076)</u>	<u>4,310</u>	<u>-</u>	<u>(1,450,816)</u>
Net depreciable capital assets	<u>2,053,383</u>	<u>(134,006)</u>	<u>-</u>	<u>-</u>	<u>1,919,377</u>
Net capital assets	<u>\$ 2,469,313</u>	<u>\$ (134,006)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,335,307</u>
Business-type activities					
Nondepreciable capital assets					
Land	\$ 307,000	\$ -	\$ -	\$ -	\$ 307,000
Construction in progress	<u>7,322,802</u>	<u>733,053</u>	<u>-</u>	<u>(7,901,920)</u>	<u>153,935</u>
Total nondepreciable capital assets	<u>7,629,802</u>	<u>733,053</u>	<u>-</u>	<u>(7,901,920)</u>	<u>460,935</u>
Depreciable capital assets					
Buildings and improvements	1,432,489	208,577	(27,749)	-	1,613,317
Treatment and collection	34,967,011	1,159,981	(385,139)	7,901,920	43,643,773
Structures and improvements	9,094,472	79,624	(4,530)	-	9,169,566
Equipment	1,060,456	9,292	(177,846)	-	891,902
Vehicles	<u>417,491</u>	<u>-</u>	<u>(51,427)</u>	<u>-</u>	<u>366,064</u>
Total depreciable capital assets	46,971,919	1,457,474	(646,691)	7,901,920	55,684,622
Less accumulated depreciation	<u>(11,500,343)</u>	<u>(1,555,796)</u>	<u>586,367</u>	<u>-</u>	<u>(12,469,772)</u>
Net depreciable capital assets	<u>35,471,576</u>	<u>(98,322)</u>	<u>(60,324)</u>	<u>7,901,920</u>	<u>43,214,850</u>
Net capital assets	<u>\$ 43,101,378</u>	<u>\$ 634,731</u>	<u>\$ (60,324)</u>	<u>\$ -</u>	<u>\$ 43,675,785</u>

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note E - Capital Assets (Continued)

Depreciation expense was charged to function and programs based on their usage of the related assets. The amounts allocated to each function or program were as follows:

Governmental activities:

Lighting and landscaping Zone 8	\$ 170,758
Lighting and landscaping Zone 9	12,063
Community center	<u>1,255</u>
Total depreciation expense - Governmental activities	<u>\$ 184,076</u>

Business-type activities:

Water	\$ 1,321,917
Sewer	<u>233,879</u>
Total depreciation expense - Business-type activities	<u>\$ 1,555,796</u>

Note F - Long-Term Debt

The District generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt.

Government-Wide Financial Statements

Long-term debt and other financial obligations are reported as liabilities in the appropriate activities. Bond premiums are deferred and amortized over the life of the bonds using the straight-line method.

Fund Financial Statements

The Governmental Fund Financial Statements do not include the long-term debt, as this liability is not payable in the current period. The face amount of debt issued and any premiums received are reported as other financing sources.

Proprietary Fund Financial Statements use the same principles as those used in the Government-Wide Financial Statements.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note F - Long-Term Debt (Continued)

Bond Issuance Costs and Premiums

For proprietary fund types, bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium. With the implementation of Government Accounting Standards Board (GASB) Statement No. 65, the bond issuance costs, other than prepaid insurance, are required to be expensed in the year incurred.

Current year business-type transactions and balances

The District's debt issues and transactions are summarized below and discussed in detail thereafter:

	<u>Original Amount</u>	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2016</u>	<u>Due within one year</u>
Business-type Activity Debt						
Discovery Bay Public Financing Authority Series 2012 Enterprise Revenue Bonds	\$ 14,150,000	\$ 13,565,000	\$ -	\$ (305,000)	\$ 13,260,000	\$ 310,000
Unamortized Premium	<u>362,346</u>	<u>312,379</u>	<u>-</u>	<u>(17,170)</u>	<u>295,209</u>	<u>-</u>
Totals	<u>\$ 14,512,346</u>	<u>\$ 13,877,379</u>	<u>\$ -</u>	<u>\$ (322,170)</u>	<u>\$ 13,555,209</u>	<u>\$ 310,000</u>

2012 Enterprise Revenue Bonds

In August 2012, the Discovery Bay Public Financing Authority issued \$14,150,000 in enterprise revenue bonds Series 2012 to finance the acquisition and construction of certain improvements to the water and wastewater systems.

Pursuant to an Installment Purchase Agreement between the Authority and the District, the District has pledged the net revenues of the District's municipal water enterprise and wastewater enterprise.

The bonds carry coupon interest rates ranging from 1.00%-5.00% and are scheduled to mature in fiscal year 2043. Interest is payable semi-annually on December 1st and June 1st each year, while principal installments ranging from \$290,000 to \$805,000 are payable each year on December 1st.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note F - Long-Term Debt (Continued)

Annual debt service requirements for business-type debt are shown below:

<u>For the year ending June 30,</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2017	\$ 310,000	\$ 516,054
2018	310,000	512,502
2019	315,000	508,131
2020	320,000	502,429
2021	330,000	492,063
2022-2026	1,855,000	2,266,477
2027-2031	2,205,000	1,916,328
2032-2036	2,680,000	1,437,500
2037-2041	3,360,000	750,858
2042-2043	<u>1,575,000</u>	<u>67,258</u>
Total	<u>\$ 13,260,000</u>	<u>\$ 8,969,600</u>

Note G - Deferred Compensation Plan

Employees of the District may participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan is available to all full-time employees of the District. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death or unforeseeable emergency. Total employee contributions to the plan during the year ended June 30, 2016 were \$27,289.

Note H - Compensated Absences

Employees accrue vacation leave based on length of service. Accumulated vacation leave is subject to maximum accruals for all employees. As of June 30, 2016, the District's accrued liability for accumulated unused vacation leave is \$20,492. Employees are paid for their accumulated unused vacation leave upon separation from service. The liability is expected to be liquidated with future resources and not with expendable available financial resources.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note I - Joint Venture (Joint Powers Agreement)

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; risk of loss to employees; and natural disasters.

In order to insure for risks of loss, the District participates in a joint venture under a joint powers agreement with the Special Districts Risk Management Authority (SDRMA). The relationship between the District and the SDRMA is such that the SDRMA is not a component unit of the District for financial reporting purposes.

The SDRMA arranges for and provides property, liability and worker's compensation coverage for its member districts. The Town of Discovery Bay Community Services District participates in all programs.

Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the SDRMA. The District's share of surpluses and deficits cannot be determined, although District management does not expect such amounts, if any, to be material in relation to the financial statements.

The District is covered by the following types of insurance through the SDRMA as of June 30, 2016:

<u>Coverage</u>	<u>Limits of liability</u>
General liability	\$ 10,000,000
Public officials and employees errors	10,000,000
Personal liability coverage for board members	500,000
Employment practices liability	10,000,000
Employee benefits liability	10,000,000
Employee and public officials dishonesty coverage	1,000,000
Auto liability	10,000,000
Uninsured/underinsured motorists	1,000,000
Property coverage	1,000,000,000
Boiler and machinery	100,000,000
Statutory workers' compensation	Statutory

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2016

Note J - Governing Board

The powers of the District are exercised by a Board of Directors consisting of five directors each elected for a term of four years by the qualified electors within the District.

As of June 30, 2016, the members of the District's Board of Directors were as follows:

<u>Director</u>	<u>Term expires</u>
Kevin Graves	November 2018
Chris Steele	November 2018
Robert Leete	November 2018
Bill Pease	December 2016
Mark Simon	December 2016

Note K - Contingencies and Commitments

The District is involved in litigation arising in the ordinary course of operations that, in the opinion of management, will not have a material effect on the financial condition of the District. In addition, the District has entered into construction and service contracts with various companies. Many of the contracts are considered fixed fee arrangements. However, work under these contracts could be discontinued at the direction of the District. Therefore, it is the opinion of management that a fixed commitment does not exist.

REQUIRED SUPPLEMENTARY INFORMATION

PLANNING

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual -
Major Special Revenue Fund**

Year ended June 30, 2016

	<u>Lighting and Landscaping Zone 8</u>		
	Budgeted amounts <u>original/final</u>	Actual amounts	Variance with final budget positive/ (negative)
Revenues			
Property taxes	\$ 478,000	\$ 576,524	\$ 98,524
Other	86,307	130,595	44,288
Reimbursements	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>
Total revenues	<u>570,307</u>	<u>707,119</u>	<u>136,812</u>
Expenditures			
Payroll expenses	283,084	285,998	(2,914)
Utilities	153,500	146,973	6,527
Other	83,000	113,954	(30,954)
Repairs and maintenance	100,950	68,595	32,355
Insurance	6,200	7,265	(1,065)
Professional fees	5,720	5,301	419
Capital outlay	<u>7,500</u>	<u>26,099</u>	<u>(18,599)</u>
Total expenditures	<u>639,954</u>	<u>654,185</u>	<u>(14,231)</u>
Excess (deficiency) of revenues over expenditures prior to other financing sources (uses)	(69,647)	52,934	122,581
Other financing sources (uses)			
Operating transfers in	-	169,924	169,924
Operating transfers out	<u>-</u>	<u>(160,477)</u>	<u>(160,477)</u>
Total other financing sources (uses)	<u>-</u>	<u>9,447</u>	<u>9,447</u>
Net change in fund balance	(69,647)	62,381	132,028
Fund balance, beginning of year	<u>439,148</u>	<u>439,148</u>	<u>-</u>
Fund balance, end of year	<u>\$ 369,501</u>	<u>\$ 501,529</u>	<u>\$ 132,028</u>

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Required Supplementary Information

June 30, 2016

The manager of the District prepares an expenditure budget annually which is approved by the Board of Directors setting forth the contemplated fiscal requirements. The District's budgets are maintained on the modified accrual basis of accounting. The results of operations are presented in the budget to actual schedule in accordance with the budgetary basis.

Reported budget amounts reflect the annual budget as originally adopted. There were no amendments to the budget during the year ended June 30, 2016. The budget amounts are based on estimates of the District's expenditures and the proposed means of financing them. Actual expenditures for capital outlay, debt service and contingencies may vary significantly from budget due to timing of such expenditures.



Town of Discovery Bay

"A Community Services District"

STAFF REPORT

Meeting Date

March 15, 2017

Prepared By: Dina Breitstein, Finance Manager
Submitted By: Mike Davies, General Manager

MRD

Agenda Title:

Consider approving agreement with Urban Futures Inc.

Recommended Action

Approve the General Manager to engage Urban Futures Inc. to provide the District with both Continuing Disclosure and Dissemination Agent Services

Executive Summary

On August 28, 2012 the District signed a Continuing Disclosure Certificate between the Town of Discovery Bay and Deutsche Bank National Trust Company, as the dissemination agent. US Bank succeeded Deutsche bank National Trust Company in August 2013. Since the succession, US Bank has been remiss in its duties as the District's Dissemination Agent.

On October 5, 2016 The Board of Director's Authorized the Interim General Manager to engage in an agreement with Brandis Tallman, LLC. for Bond Underwriting Services; authorizing the commencement of proceedings in connection with the execution and delivery of water & wastewater bond obligations.

Throughout the bond proceedings, District Staff has had frequent discussions with the bond financing team regarding the District's Continuing Disclosure and Dissemination Agent. Due to the lack of knowledgeable assistance provided by our current dissemination agent US Bank, Brandis Tallman requested proposals from companies to assist the District with continuing disclosure and dissemination. Under recommendation, the Town of Discovery Bay would like to end our agreement with US Bank and engage Urban Futures, Inc. to provide Service for bond covenant requirements.

Urban Futures, Inc. will provide the district with updated financial information and mandatory disclosures to municipal market participants on a regular basis. They will ensure that the District remains in full compliance with mandatory continuing disclosure covenants and other requirements. Urban Futures, Inc. is an industry recognized leader in bond compliance, developing industry releases on changes in regulation and best practices.

Urban Futures, Inc. has over 20 years of experience providing dissemination agent services to over 150 public agencies, clients totaling over 500 annual disclosure reports, a function which includes continuing disclosure duties.

Urban Futures, Inc. Fees:

Town of Discovery Bay CSD	Preparation of Reports	Dissemination of Reports & Notices	Rea-Time Ratings Monitoring	Total Annual Fee
2012 Bond	\$350	\$275	\$150	\$775
2017 Bond	\$350	275	\$150	\$775
Total Proposed Fee	\$700	\$550	\$300	\$1,550

Currently the District pays US Bank an annual fee of \$1,500 to act as Dissemination Agent for the 2012 bond.

Previous Relevant Board Actions for This Item

Attachments

Proposal from Urban Futures, Inc.

AGENDA ITEM: F-2

February 3, 2017

Mike Davies
General Manager
Town of Discovery Bay Community Services District
1800 Willow Lake Road
Discovery Bay, CA 94505-9376

Subject: Continuing Disclosure Services

Dear Mr. Davies,

Urban Futures Inc. (UFI) is pleased to submit this proposal to provide continuing disclosure, dissemination agent, and other related services to the Town of Discovery Bay Community Services District (District). We believe that our unique combination of qualifications, resources, and experience will ensure value-added service resulting in efficient and successful implementation of forward-looking programs that will benefit the District and its customers.

Investors, underwriters, bond counsel, the Municipal Securities Rulemaking (MSRB), and the U.S. Securities and Exchange Commission (SEC) demand the most current and accurate issuer information. Our comprehensive service will provide updated financial information and mandatory disclosures to municipal market participants on a regular basis. We offer a mix of services that ensure the District is, and remains in, full compliance with mandatory continuing disclosure covenants and other requirements:

The following are reasons why we believe UFI provides value well beyond the industry norm.

- Our Analytics & Compliance Group is a full-service practice with three staff dedicated 100% to compliance and two senior-level staff as engagement lead and technical advisor. This means that we can nimbly react to the District's other needs such as ad hoc analyses, presentations to District Council, or periodic training of City staff.
- As a function of being a financial advisor, we provide:
 - a. The timeliest and most accurate review of CDAs, bond documents, and audits, immediately initiating conversations with attorneys to ensure compliance and develop favorable requirements for the City;
 - b. The most rigorous ratings review and ratings defense process based on constant involvement with the credit rating process for bond financings;
 - c. The lowest cost of providing service which is possible due to in-house data and table production;
- Our four-pronged approach to monitoring deadlines and requirements represents a failsafe method for covering all aspects of compliance;
- We are a recognized leader in bond compliance, from developing industry releases on changes in regulation and best practices to being called up to train elected officials and agency staff;
- We pioneered the compliance audit approach and are recognized as significantly more thorough than industry standards such as DAC.

Town of Discovery Bay Community Services District – Continuing Disclosure and Dissemination Agent Services

- We include as part of service real-time ratings surveillance and on-call ratings protection from audits by the ratings agencies (S&P, Moody's, Fitch) to protect the District's ratings;

Enclosed, please find our proposal to provide the District with these services.

We are enthusiastic about the opportunity to work with the District. If you have any questions, please do not hesitate to contact me at (714) 283-9334 or MichaelB@UrbanFuturesInc.com.

Sincerely,

URBAN FUTURES, INC.

A handwritten signature in black ink, appearing to read "M. P. Busch".

Michael P. Busch
President & CEO

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CONSULTANT INFORMATION

PROPOSAL TO PROVIDE BOTH CONTINUING DISCLOSURE AND DISSEMINATION AGENT SERVICES Urban Futures, Inc.’s (UFI) Analytics & Compliance Group is UFI’s compliance practice with staff dedicated to managing the comprehensive continuing disclosure and dissemination agent needs of numerous agencies. We produce accurate and timely reports and postings of significant events for hundreds of bond issuances annually.

Urban Futures, Inc. is a solely-owned municipal advisory firm registered as a California “C” Corporation. In addition, the firm is a registered Municipal Financial Advisor with the Municipal Securities Rulemaking Board (MSRB) and Securities and Exchange Commission (SEC). UFI serves California with offices in the cities of Tustin and Walnut Creek.

UFI has provided municipal advisory services under the same name since 1972 and continuing disclosure and dissemination agent services since 1994, at the inception of those requirements. UFI currently serves over 150 cities, school districts, successor agencies, joint powers and financing authorities, and enterprise districts in California with Continuing Disclosure Services.

COMPANY AND STAFF EXPERIENCE

CONTINUING DISCLOSURE EXPERIENCE & SCOPE OF SERVICES

Continuing Disclosure Reports We have over 20 years of experience providing dissemination agent services to over 150 public agency clients totaling over 500 annual disclosure reports, a function of which includes continuing disclosure duties. The quality of the continuing disclosure services that UFI provides is a testament to the financial expertise and continuous attention to the ever-changing needs of our clients. We have extensive experience covering every type of credit including that of the District's debt make-up such as General Obligation Bonds, Lease Revenue Bonds, Enterprise Fund Bonds, Tax Allocation Bonds, Community Facilities Districts, Pension Obligation Bonds, etc.

Please see the Appendix for a list of our current continuing disclosure clients.

Review of CDA As a function of providing financial advisory services, UFI reviews the Continuing Disclosure Agreements and Bond Indentures for every Bond Issuance at the very beginning of the financing process. This ability to work with the financing team to draft the Continuing Disclosure Agreement is key, as we ensure it is formed in a manner that strikes the balance between providing pertinent information to investors versus minimizing administrative burden on District staff. It is also another way that we can provide nimble and cost-effective service to the District. In addition to our experience in drafting such documents, the firm has also adopted a practice of reviewing each and every Continuing Disclosure Agreement on an annual basis. This practice ensures that each report is being prepared in accordance with the bond's disclosure obligations.

In-House Market Data The benefits of retaining a single-provider for full coverage is the assurance that nothing is missed, comprehensive compliance is more cost-effective, and internal staff resources are utilized more efficiently.

We use the latest technology to streamline operations, thereby enabling us to provide expedient and cost effective services. We realize that every client is unique, and as such, each client has different dissemination agent needs. We do not merely prepare the required reports; we follow the steps as outlined in "Best Practices in Disclosure" and create a custom reporting program to best meet the disclosure obligations of the issuer and to disseminate information to the investors.

UFI distinguishes itself in terms of dissemination agent services based on access to market information. UFI is unique in that our personnel interact with the market every day using in-house market sources such as Bloomberg, TM3 (Thompson Reuters), and EMMA, as a function of the firm's position as California leader for bond financings and post-issuance dissemination agents. In the process of serving as one of the State's leading CD advisors, UFI has naturally found itself as a driving influence for the crafting of post-issuance guidelines.

It is this type of leadership and immediate access to information that lends UFI the capability to solve complex problems and the reason our clients continue to request our assistance.

Scope of Services for Continuing Disclosure The Scope of Services for Continuing Disclosure includes:

- *Disclosure Policy:* UFI regularly develops disclosure policies for regulatory compliance and best industry practices, and we will review the District’s Disclosure Policy as needed.
- *Database of CD Requirements:* UFI maintains and continues to develop a Microsoft Access-based database to monitor, track, and review reporting and filing requirements as outlined in CDAs and other bond agreements. As such, we are prepared to program the District’s debt issues into the database.
- *Notification of Deadlines and Material Events:* Deadlines and material events are covered through a four-pronged approach that ensures that every event and deadline is captured, conveyed, and processed:
 - a. Automatic rating change updates from Bloomberg based on input and updates of every bond issue’s CUSIP;
 - b. Automatic updates and manual review of the City’s database as described above;
 - c. Periodic inquiries with the District’s trustee(s) as a final check.

For each deadline and event, UFI will:

- a. Immediately alert District staff of the deadline or event. In the case of a material event, the Bloomberg notification is also forwarded to District staff;
 - b. Post notification of material event to EMMA within the required 10 business days;
 - c. Send posting confirmation from EMMA to District staff;
 - d. Send posting confirmation to the District’s trustee(s).
- *Assembly and Review of CD Reports:* As discussed above, the annual reports will be assembled in conformance with the CDAs and the MSRB, and District staff will be given ample time to review the reports before posting to EMMA and sending to the trustee(s).
 - *Final Copies of CD Reports:* Upon completion of each step detailed above, UFI will also send hard copies of the final reports to the District.
 - *Monitoring of SEC Rule 15c-12(b)(5):* UFI is unique with regards to continuing disclosure in that not only do we manage hundreds of CD reports annually, we review CDA and bond documents and we are consistently called on by the industry to serve as educator for changes in regulations or best practices. This means that we are constantly abreast of the latest developments. As an industry leader, we are always on the front lines of implementing changes as they evolve.
 - *Historical Review and Amendments:* Urban Futures will conduct an in depth review of the District’s annual and on-going Continuing Disclosure obligations going back five Fiscal Years. If any instances of non-compliance are found, a supplemental report will be created and posted to EMMA to remedy the Issues. In addition, any significant/material event notice will also be posted.

PRIMARY CONTACT While Mr. Busch will be integrally involved in serving the District, the primary or day-to-day contact for the proposed engagement will be Russell Sager, Senior Analyst, who manages the Analytics & Compliance Group practice. Mr. Sager can be contacted at:

17821 E 17th St, Suite 245 Tustin, CA 92780 - (714) 283-9334 - russells@UrbanFuturesInc.com

We propose to have the entirety of our compliance group prepared to assist the District with its needs. Proposed staff are as follow:

- Mike Busch, CEO – Engagement Lead
- Russell Sager, Analyst – Continuing Disclosure Lead
- Katelyn Brewer, Analyst – Dissemination Agent Lead

The staff as proposed have thousands of reports of experience for every type of credit from lease revenue bonds and general obligation bonds to utility enterprises and community facilities districts.

RESUMES OF PROPOSED PERSONNEL

UFI's personnel interact with the market every day using in-house market sources such as Bloomberg, TM3 (Thompson Reuters), and EMMA, as a function of the firm's position as California leader for bond financings and post-issuance dissemination agents. UFI's level of turnover is very low. Included below, are brief summaries of the qualifications of our advisory team members as they pertain to the District's project.

MICHAEL BUSCH: ENGAGEMENT LEAD (CHIEF EXECUTIVE OFFICER)

*Bachelor of Arts in Urban and Regional Planning – California State Polytechnic University, Pomona
Master of Administration – California State University, Long Beach*

Role for This Project: Mr. Busch will oversee the management of the City's accounts.

Profile: Mr. Busch joined Urban Futures following a successful career in municipal government. Mr. Busch currently serves as the Chief Executive Officer of the firm and manages day-to-day operations. Mr. Busch's background consists primarily of Assistant Deputy City Manager, Finance, and Project Manager positions. As such, he has extensive experience in Strategic Planning, Municipal Finance, Economic Development/redevelopment, and project implementation leading to the issuance of over \$1 billion in tax-exempt debt offerings and implementation of several economic development and infrastructure projects. Mr. Busch has a unique background having served as a Planner, Finance Director, City Treasurer, Deputy City Manager and Assistant City Manager where he has demonstrated experience in capital improvement plan development, developer negotiations, development agreements, and capital project implementation.

RUSSELL SAGER: CONTINUING DISCLOSURE LEAD (SENIOR ANALYST)

Bachelor of Arts in Economics – California State University, Fresno

Role for This Project: Mr. Sager will serve as the primary, day-to-day contact for the District's needs. UFI's project management approach stresses communication, teamwork, objectivity, and accountability for meeting project objectives and includes general administrative duties, including correspondence with the District, billing, project documentation, and administration of the study plan. We believe in a no-surprise approach and communication on a regular basis through face-to face meetings and web and phone conferences so that the client is aware of the status of the project at all times lead the development of drafting continuing disclosure reports. He will also work directly with the District's various departments to obtain information for CD reports, and will be available for presentations to District Council and staff.

Profile: Mr. Sager manages the Analytics & Compliance Group. He will be responsible for managing the engagement team, and will oversee and provide quality control for deliverables such as annual continuing disclosure reports, database for tracking deadlines and requirements, and an auditable record of all filings for the District. He is directly involved in the production of over 500 reports for over 150 agencies on an annual basis. He understands every aspect of reports and the analysis for developing tables for those reports using in-house data sources. He also takes an active role in maintaining the firm’s continuing disclosure database.

KATELYN BREWER: DISSEMINATION AGENT LEAD (ANALYST)

Bachelor of Science in Finance – California State University, Fullerton

Role for This Project: Ms. Brewer will be the primary monitor of material events based on the firm’s database, Bloomberg updates, check-ups with ratings agencies, and discussions with the trustee.

Profile: Ms. Brewer works hand-in-hand with Mr. Sager to ensure that the District’s requirements are up to date. She also takes an active role in maintaining the firm’s continuing disclosure database.

DOUG ANDERSON: TECHNICAL ADVISOR (MANAGING PRINCIPAL)

Bachelor of Arts in Business Finance – San Diego State University

Role for This Project: Mr. Anderson will serve as the technical advisor for the engagement.

Profile: Mr. Anderson has been with Urban Futures since 1985 and originally developed the firm’s dissemination agent and other continuing disclosure activities practice. He is also responsible for the research and analysis necessary to structure various types of bond issues, including revenue projections and analysis of the revenue created by new development. He is considered an expert on California Redevelopment.

UFI ADVANTAGE

UFI provides value well beyond the industry norm.

- Our Analytics & Compliance Group is a full-service practice with two staff dedicated 100% to compliance and one senior-level staff as technical advisor. This means that we can nimbly react to the District’s other needs such as ad hoc analyses, presentations to District Council, or periodic training of District staff on the database that we will share with the District;
- As a function of being a financial advisor, we provide:
 - a. The timeliest and most accurate review of CDAs, bond documents, and audits, immediately initiating conversations with attorneys to ensure compliance and develop favorable requirements for the District;
 - b. The lowest cost of providing service, which is possible due to in-house data and table production;
- Our four-pronged approach to monitoring deadlines and requirements represents a failsafe method for covering all aspects of compliance;
- We are a recognized leader in bond compliance, from developing industry releases on changes in regulation and best practices to being called up to train elected officials and agency staff;
- We pioneered the compliance audit approach and are recognized as significantly more thorough than industry standards such as DAC.
- We include as part of our service real-time ratings surveillance and on-call ratings protection from audits by the ratings agencies (S&P, Moody’s, Fitch) to protect the District’s ratings;

REFERENCES

Client Name	City of Millbrae	City of San Bruno	Martinez Unified School District	Benicia Unified School District
Project Description	Continuing Disclosure Dissemination Agent, 5-Year Audit and Fixes	Continuing Disclosure Dissemination Agent, 5-Year Audit and Fixes	Continuing Disclosure Dissemination Agent, 5-Year Audit and Fixes	Continuing Disclosure Dissemination Agent
Project Dates	2015 - Current	2015 - Current	2015 - Current	2008 - Current
Client Contact	Kenneth Spray Finance Director (650) 259-2433	Helen Yu-Scott Financial Services Manager (650) 616-7034	Diane Deshler Chief Business Official (925) 335-5925	Timothy Rahill Chief Business Official (707) 747-8300 Ext. 1217

FEES

Urban Futures Inc. proposes to provide comprehensive compliance solutions for Bond Issuances on an annual basis. Our consulting agreement will be structured to renew on an annual basis. The agreement will also be defined to include refunding's of the Bond Issues.

Please see below for a detailed breakdown of all fees.

Town of Discovery Bay Community Services District	Preparation of Reports	Dissemination of Reports & Notices	Real-time Ratings Monitoring	Total Annual Fee
\$14,150,000				
DISCOVERY BAY PUBLIC FINANCING AUTHORITY				
Series 2012 Enterprise Revenue Bonds (Water and Watewater Financing Projects)	\$350	\$275	\$150	\$775
TBD				
DISCOVERY BAY PUBLIC FINANCING AUTHORITY				
Series 2017 Enterprise Revenue Bonds	\$350	\$275	\$150	\$775
Total Proposed Fee	\$700	\$550	\$300	\$1,550

APPENDIX

CURRENT CONTINUING DISCLOSURE/DISSEMINATION AGENT CLIENTS

Please see the below table for a listing of our current dissemination agent clients.

> Adelanto	> Madera	> Cotati-Rohnert Park Unified School District	> Ojai Unified School District
> Albany	> Manteca	> Delano Joint Union High School District	> Old Adobe Union School District
> Anderson	> March Air Force Base	> Elementary Schools	> Orland Joint Unified School District
> Artesia	> Maywood	> Facilities Improvement District No. 1 of the Gridley Unified School District	> Pierce Joint Unified School District
> Arvin	> McFarland	> Elk Hills Elementary School District	> Red Bluff Joint Union High School District
> Auburn	> Menlo Park Developers	> Enterprise Elementary School District	> Redondo Beach Unified School District
> Azusa	> Millbrae	> Forestville Union School District	> Rio Elementary School District
> Azusa Light & Water	> Moorpark	> Fortuna Elementary School District (formerly Fortuna Union Elementary School District)	> Roseland School District
> Barstow	> National City	> Fortuna Elementary School District (formerly Fortuna Union Elementary School District)	> Santa Ynez Valley High School District
> Banning	> Parlier	> Gateway Unified School District	> School Facilities Improvement District No. 1 of the Healdsburg Unified School District
> Beverly Hills	> Pomona	> Greenfield Union School District	> Sebastopol Union School District
> Brawley	> Port Huene	> Guerneville Elementary School District	> Somis Elementary School District
> Calexico	> Quartz Hill Water District	> Happy Valley Union Elementary School District	> Sonora Elementary School District
> California State Communities Development Authority	> Ripon	> Healdsburg Unified School District	> Taft City Elementary School District
> Calimesa	> Rosemead	> Hueneme Elementary School District	> Terra Bella Union School District
> Calipatria	> Rowland Water District	> Humboldt County Office of Education	> Wasco Union High School District
> Carmel Area Wastewater District	> San Bernardino	> Inglewood Unified School District	> Wasco Union School District
> Ceres	> San Bruno	> Kentfield School District	> Whittier City School District
> Cerritos	> Santa Ana	> Klamath-Trinity Joint Unified School District	> Whittier City School District
> Claremont	> Seaside	> Loma Prieta Joint Union Elementary School District	> Willits Unified School District
> Cloverdale	> Solana Beach	> Magnolia School District	> Wright Elementary School District
> Coachella	> Soledad	> Mendota Unified School District	
> Coalinga	> South El Monte	> Morongo Unified School District	
> Commerce	> South Pasadena	> Mt. Diablo Unified School District	
> Corcoran	> Stanislaus-Ceres RDA	> Mt. Diablo Unified School District, Community Facilities District No. 1	
> Cosumnes CSD	> Tehachapi	> Northern Humboldt Union High School District	
> Crescenta Valley Water District	> Temple City		
> Desert Hot Springs	> Upland		
> Dinuba	> West Valley Sanitation District		
> Fairfax	> Westmorland		
> Fillmore	> Winters		
> Fountain Valley	> El Monte Union High School District		
> Garden Grove	> Anderson Union High School District		
> Gonzales	> Arcata Elementary School District		
> Grand Terrace	> Baker Valley Unified School District		
> Greenfield	> Benicia Unified School District		
> Hi-Desert Water District	> Bennett Valley Union School District		
> Healdsburg	> Bradley Union Elementary School District		
> Hesperia	> Brawley Elementary School District		
> Hanford	> Buellton Union School District		
> Hawaiian Gardens	> Cabrillo Unified School District		
> Highland	> Chico Unified School District		
> Hughson	> Cloverdale Unified School District		
> Huntington Park	> Coalinga-Huron Joint Unified School District		
> Imperial			
> King City			
> La Habra			
> La Puente			
> Lancaster			
> Lake Elsinore			
> Lawndale			
> Lemon Grove			
> Lindsay			



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT



President – Bill Pease • Vice-President – Bob Leete • Director – Kevin Graves • Director – Mark Simon • Director – Chris Steele

November 21, 2016

Senator Steven M. Glazer
1350 Treat Blvd., Suite 240
Walnut Creek, CA 94597

RE: Re-allocate ad valorem property taxes as requested by the East Contra Costa Fire Protection District

Dear Senator Glazer:

At the Town's Board meeting of November 16, 2016, the funding challenges of the East Contra Costa Fire Protection District were discussed.

One long term solution that has been raised for some time is the suggestion that the ad valorem property tax be reallocated to provide an increased percentage for the fire district. The East Contra Costa Fire Protection District (ECCFPD) receives 7.5 cents of each dollar collected in ad valorem property taxes, which is 4.5 cents less than the average received by the other fire districts located in our County.

The East Contra Costa Fire Protection District requested that the Town of Discovery Bay consider adopting a resolution which calls on the State Legislature and the Governor to reallocate ad valorem property taxes. Please find the attached adopted and signed Resolution No. 2016-21.

On behalf of the Town of Discovery Bay Board of Directors, thank you for your interest in ensuring adequate funding for essential emergency fire and medical services.

Sincerely,


William Pease, Board President
Town of Discovery Bay CSD

CK/cmc

cc: Town of Discovery Bay, Board of Directors
East Contra Costa Fire Protection District
County Supervisor, District III Mary Piepho
County Supervisor Elected, District III Diane Burgis

DRAFT LETTER

Dear Senator Glazer:

Our local Fire District (ECCFPD) continues to struggle financially and this has resulted in a systematic shut down of fire stations and reductions of available emergency services.

While there is no shortage of reasons and explanations for the current conditions, it is imperative that we work together toward achievable and swift solutions.

While we recognize an imbalance of funding, the imbalance itself exists only between the fire districts of our County - not between special districts and other agencies as a whole.

Any proposed reallocation of property tax revenues could lead to more shortfalls in other critical services. Undeniably a unilateral reallocation of property taxes would spread funding shortfalls to all other service providers and government entities. "Robbing Peter to pay Paul" or reallocation, is a zero-sum game.

Further, we recognize that transferring revenue between certain agencies is illegal under California Revenue and Taxation Code Section 5 Article 99.

Exacerbating the issue is the acknowledgement that School Districts and education, which are allocated the majority of available taxes, are off limits to reallocation. This would shift the majority of reallocation to agencies already operating with smaller fractions/percentages of tax apportionment.

We highly encourage the State and our local legislators to explore all available solutions. One solution might be the possibility of lowering the voter threshold for passage of revenue enhancements for Fire and Emergency Services from a super majority to a simple majority. As you are aware, this has been done for education bonds due to their essential nature. We feel that lifesaving emergency services are also essential to the wellbeing of the community.

Our CSD remains supportive of fair and realistic revenue enhancements to stabilize and restore our fire services.

Send to:

Governor Jerry Brown
Assembly Members Frazier and Baker
Contra Costa County Board of Supervisors
City of Brentwood/Oakley
East Contra Costa Fire Protection District
Contra Costa County Fire Protection District
Local media

FEB 24 2017



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

1112 I Street, Suite 300
 Sacramento, California 95814-2865
 T 916.231.4141 or 800.537.7790 • F 916.231.4111

Maximizing Protection. Minimizing Risk. • www.sdrma.org

February 22, 2017

Mr. Michael Davies
 General Manager
 Town of Discovery Bay Community Services District
 1800 Willow Lake Road
 Discovery Bay, California 94505-9376

RE: Workers' Compensation Longevity Distribution

Dear Mr. Davies,

On February 2, 2017, the SDRMA Board of Directors approved a longevity distribution for the eighth year in a row. The Longevity Distribution Policy was adopted by the Board to recognize and reward members for their loyalty and commitment to SDRMA programs. The policy is consistent with the goals and objectives of the Board's strategic business plan and helps ensure pool stability by rewarding members for remaining in our Property/Liability and Workers' Compensation programs.

This year, the Board approved a longevity distribution in the amount of \$463,920 for Workers' Compensation members and \$247,965 for Property/Liability members. For the Workers' Compensation program, over 90% of members will receive the distribution credit and for the Property/Liability program, over 91% of members will receive the distribution credit.

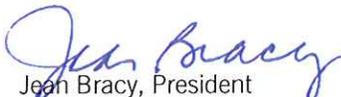
Congratulations! Since you have participated in our Workers' Compensation Program for 12 years as of June 30, 2016, your agency will receive a longevity distribution credit on your 2017-18 renewal contribution invoice in the amount of \$1,241. We encourage you to share this valuable news with your governing body!

There is no action required by your agency. Every member that has completed the 3 full program year initial commitment period for the Workers' Compensation program is eligible to receive a longevity distribution credit when they renew coverage. The longevity distribution may be declared by the Board of Directors each year only after all Board policy reserve requirements have been met. The amount available for the longevity distribution is the amount of investment earnings on reserves above the Board approved confidence level for each program as of June 30. The distribution is weighted based on the member's length of time in that program and the amount of the member's annual contributions compared to the total contributions of all pool members.

REMINDER – SDRMA's Safety/Claims Education Day/Annual Membership Meeting is Tuesday, March 28 at the Hilton Sacramento Arden West Hotel and is FREE to SDRMA members including breakfast, lunch and refreshments. For more information, please visit our website at www.sdrma.org and click on "Register for a Training Workshop" on the right side of the page.

Thank you for your participation and helping make SDRMA a premier risk management provider! If you have any questions, please contact the SDRMA Finance Department at 800.537.7790 or 916.231.4141.

Sincerely,
 Special District Risk Management Authority


 Jean Bracy, President
 Board of Directors

February 22, 2017

Mr. Michael Davies
General Manager
Town of Discovery Bay Community Services District
1800 Willow Lake Road
Discovery Bay, California 94505-9376

RE: Property/Liability Longevity Distribution

Dear Mr. Davies,

On February 2, 2017, the SDRMA Board of Directors approved a longevity distribution for the eighth year in a row. The Longevity Distribution Policy was adopted by the Board to recognize and reward members for their loyalty and commitment to SDRMA programs. The policy is consistent with the goals and objectives of the Board's strategic business plan and helps ensure pool stability by rewarding members for remaining in our Property/Liability and Workers' Compensation programs.

This year, the Board approved a longevity distribution in the amount of \$247,965 for Property/Liability members and \$463,920 for Workers' Compensation members. For the Property/Liability program, over 91% of members will receive the distribution credit and for the Workers' Compensation program, over 90% of members will receive the distribution credit.

Congratulations! Since you have participated in our Property/Liability Program for 13 years as of June 30, 2016, your agency will receive a longevity distribution credit on your 2017-18 renewal invoice in the amount of \$1,253. We encourage you to share this valuable news with your governing body!

There is no action required by your agency. Every member that has completed the 3 full program year initial commitment period for the Property/Liability program is eligible to receive a longevity distribution credit when they renew coverage. The longevity distribution may be declared by the Board of Directors each year only after all Board policy reserve requirements have been met. The amount available for the longevity distribution is the amount of investment earnings on reserves above the Board approved confidence level for each program as of June 30. The distribution is weighted based on the member's length of time in that program and the amount of the member's annual contributions compared to the total contributions of all pool members.

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Thank you for your participation and helping make SDRMA a premier risk management provider! If you have any questions, please contact the SDRMA Finance Department at 800.537.7790 or 916.231.4141.

Sincerely,
Special District Risk Management Authority



Jean Bracy, President
Board of Directors

FOR IMMEDIATE RELEASE:
Friday March 3, 2017

CONTACT: Hugh Henderson, Fire Chief
East Contra Costa Fire Protection District
(925) 260-7503

East Contra Costa Fire Protection District Board Appoints Battalion Chief Brian Helmick to Interim Fire Chief

Brentwood—The East Contra Costa Fire Protection District Board of Directors held a special meeting on Friday to hold a closed session on the appointment of an interim Fire Chief. The Board voted unanimously to move forward with promoting Battalion Chief Brian Helmick to Interim Fire Chief. The Board of Directors will approve the employment agreement at their regular board meeting on March 6, 2017.

Battalion Chief Helmick started with East Contra Costa Fire Protection District as a firefighter in 2002 and worked through the ranks. Chief Helmick was promoted to Battalion Chief in July 2006 and he currently is assigned as the District's Operations Chief. Chief Helmick resides in Brentwood with his wife Kristen and three children. After the Board announced their decision Chief Helmick stated he is "excited about the opportunity and humbled by the Boards decision" he looks forward to working with District staff and becoming more connected with the community. ECCFPD President Joel Bryant expressed confidence in Chief Helmick's qualifications and leadership ability. "We are very proud of Battalion Chief Helmick and look forward to the next chapter for our District".

Battalion Chief Helmick will assume the role of Interim Fire Chief upon retirement of Fire Chief Hugh Henderson on March 30, 2017.

ABOUT THE EAST CONTRA COSTA FIRE PROTECTION DISTRICT: The East Contra Costa Fire Protection District spans 249 square miles and our firefighter/EMTs serve more than 100,000 residents in the Cities of Brentwood and Oakley, the Town of Discovery Bay, the communities of Byron, Bethel Island and Knightsen, the Marsh Creek/Morgan Territory area, and all other areas within unincorporated Contra Costa County to the east of Antioch and to the southeast of Clayton.

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